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# INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

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# (54) Title: METHOD OF INHIBITING IMMUNE SYSTEM DESTRUCTION OF TRANSPLANTED VIABLE CELLS

#### (57) Abstract

This invention provides a method of inhibiting viable cells transplanted into a subject from being destroyed by the subject's immune system which comprises: a) containing the viable cells, or tissue comprising the viable cells, prior to transplantation within a device comprising a semipermeable membrane; and b) treating the subject with a substance which inhibits an immune system costimulation event in an amount effective to inhibit the subject's immune sytem from responding to said contained cells or tissue. In one embodiment, the substance which inhibits an immune system costimulation event is CTLA4. Also provided by this invention is a method of treating diabetes in a subject which comprises: a) containing viable insulin-producing cells, or tissue comprising such cells, within a device comprising a semipermeable membrane; b) transplanting an effective amount of such contained viable insulin-producing cells into the subject; and c) treating the subject with an effective amount of a substance which inhibits an immune system costimulation event.

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# METHOD OF INHIBITING IMMUNE SYSTEM DESTRUCTION OF TRANSPLANTED VIABLE CELLS

This application claims the benefit of U.S. Provisional Application No. 60/004,375, filed September 27, 1995, the contents of which are hereby incorporated by reference.

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The invention disclosed herein was made with Government support under NIH Grant No. RO1-DK39088. Accordingly, the U.S. Government has certain rights in this invention.

Throughout this application, various references are referred to within parentheses. Disclosures of these publications in their entireties are hereby incorporated by reference into this application to more fully describe the state of the art to which this invention pertains. Full bibliographic citation for these references may be found at the end of this application, preceding the claims.

#### Background of the Invention

There is a critical need for better insulin replacement. 20 therapy to circumvent the complications of dependent diabetes mellitus (IDDM). Our goal is to develop techniques for transplantation of microencapsulated. xenogeneic islets to provide a durable, physiological source of insulin to diabetic patients. It has previously been shown that microcapsules are biocompatible and that xenogeneic islet - grafts- contained in - microcapsulesfunctioned indefinitely in the peritoneal cavity of mice streptozotocin-induced (SZN) diabetes. microcapsules may be intact and stable in vivo and factors 30 that may be required for long-term survival and function of the xenogeneic islets are accessible. The microcapsules serve-as-a-mechanical\_barrier\_that\_prevents\_cell-to-cell contact between recipient lymphocytes and donor islets.

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mechanical barrier primarily The prevents host sensitization rather than protecting the graft from immune destruction, because encapsulated islets are very rapidly destroyed by recipients that are presensitized to the islet Similarly, encapsulated xenogeneic donor cell antigens. islets were rejected (in two weeks) by NOD mice, which is possibly due to presensitization of NODs to islet antigens. Xenografts undergoing rejection in NOD mice were surrounded of activated macrophages numbers large immunoglobulins, with IL-1a, TNFa, both documented by 10 immunocytochemistry, and IL-4 messenger RNA detected by RT-PCR. We postulate that NOD rejection is initiated by donor antigens that are secreted by or shed from the encapsulated islets and which are processed via the MHC histocompatibility complex) class II pathway by host APC 15 (antigen presenting cells). These APC activate NOD CD4° T cells that develop into a Th2 response, with donor islet destruction occurring via cytokine-mediated events.

We have also been able to improve the microencapsulation 20 process to permit long-term survival of concordant, rat islet xenografts, even in NOD mice. Furthermore, we have found that blockade of NOD co-stimulatory molecules with CTLA4Ig significantly prolongs survival of discordant, rabbit islet xenografts for up to 200 days. Thus, we have 25 problems associated to overcome been able transplanting encapsulated islet xenografts into autoimmune diabetic recipients.

### 30 Insulin-Dependent Diabetes Mellitus

The last several years have witnessed a remarkable increase in or knowledge of the effects of therapies for insulindependent diabetes mellitus (IDDM). The Diabetes Control and Complications Trial (DCCT) found that intensive insulin therapy delayed the onset and slowed progression of

- 3 -

retinopathy, nephropathy, and neuropathy in patients with IDDM (1). Unfortunately, intensive insulin therapy is not appropriate for many IDDM patients; and even with careful monitoring, DCCT patients had increased episodes of severe 5 hypoglycemia (1). Ironically, results of the DCCT support the rationale for pancreas and islet transplantation. Since the inception of islet transplant experiments, it has been the hope that such grafts might supply insulin more homeostatically than exogenous insulin can, and that 'near-10 normal' modulation of carbohydrate metabolism might prevent the secondary complications of IDDM (2). Clinical pancreas allografts have improved outcomes with the advent of combination immunosuppression; and near normal of glucose homeostasis follows most pancreatic allo- and auto-grafts However, the first-year mortality of a human 15 pancreatic allograft remains high (10%), immunosuppression is required, and only limited numbers of clinical wholeorgan pancreatic transplants are being done worldwide (2,4,5).

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#### The Rationale for Microencapsulated Islet Xenografts

Islet transplantation is an attractive therapy for patients with IDDM, since problems related to the exocrine pancreas may be avoided. However, allografts of donor human islets have not been successful long-term (3); and availability and yield of human islets are limited. Therapeutic islet transplants for large number of patients almost certainly will require donor islets harvested from animals (xenografts) (2,4).

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The optimal source of xenogeneic islets for clinical use remains controversial. Islets have been isolated from subhuman primates and xenografted into immunosuppressed, diabetic rodents, with short-term reversal of diabetes (6). However, there are significant ethical issues surrounding

- 4 -

use of primates, Other promising sources are porcine, and rabbit islets, bovine, canine, which remarkably well, (i.e., maintaining normoglycemia) diabetic rodents until transplant rejection occurs (7-11). Long-term human, bovine and porcine islet survival has been documented in nude mice and rats, suggesting that sufficient islet-specific growth factors are present in xenogeneic recipients (2,12-17). For sociologic/ethical reasons, canine islets clinically appropriate. Porcine islets are both difficult 10 to isolate (intact) and to maintain in vitro; nevertheless. they are extremely promising for eventual Isolation of bovine islets application (18-21). technically easier (than porcine islets), and calf islets are qlucose-responsive (22). Recently, large scale rabbit 15 islets isolation has been developed (23) (see Preliminary Studies). Rabbit pancreas is an attractive source of islets. Rabbit, like porcine insulin, differs from human insulin at only one amino acid, and rabbit islets are 20 glucose responsive (22,24). In addition, most humans do not possess natural anti-rabbit antibodies, which might improve the possibility of preventing xenograft rejection It is currently feasible to consider isolation of 1,000,000 donor islets/per human diabetic recipient from either calves, pigs or rabbits, utilizing multiple donors. 25

The most significant obstacle to islet xenotransplantation on human IDDM is the lack of an effective immunosuppressive regiment to prevent cross-species graft rejection (2,26-30 28). Recently, it has been reported that human islets will survive long-term in SZN-diabetic mice treated either with anti-CD4 antibody (16) or CTLA4Ig (a high affinity fusion protein which blocks CD28-B7 interactions) (12), or by exposure of donor islets to purified high affinity anti-HLA (ab), (29). However, with the exception of these studies,

- 5 -

indefinite survival of islet xenografts has rarely been achieved, except with the aid of porous, mechanical barriers. Both intra- and extra-vascular devices are under development. However, potential clinical complications, such as bleeding, coagulation, and bioincompatibility mitigate against their current use in diabetic patients (30,31). For example, acrylic-copolymer hollow fibers placed subcutaneously maintained viability of human islet allografts for two weeks (50 islets per 1.5 cm fiber) (65,000 M.W. permeability) (32).

However, to implant 500,000 islet would require >150 meters of these hollow fibers, which is not clinically feasible.

One of the most promising islet envelopment methods is the 15 polyamino acid-alginate microcapsule. A large number of recent studies have shown that intraperitoneal xenografts of encapsulated rat, dog, pig or human islets into streptozotocin-diabetic mice or rats promptly normalized blood glucose for 10-100 days (7,19,33-39). 20 Long-term normalization of hyperglycemia by microencapsulated canine islet allografts, porcine islet xenografts, and one human islet allograft has been reported (21,40-42). mechanisms by which microcapsules protect islet xenografts 25 from host destruction are not fully understood. However, it has been suggested that prohibition of cell-cell contact with host immunocytes is important (30,35). The marked prolongation of widely unrelated encapsulated xenografts in rodents with induced diabetes has prompted studies in animals with spontaneous diabetes. 30

# The Spontaneously Diabetic NOD Mouse As A Model Of Human

Nonobese diabetic (NOD) mice develop diabetes 35 spontaneously, beginning at approximately twelve weeks of

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- 6 -

age. NOD mice are the most appropriate model for studying the feasibility of islet xenotransplants because their disease resembles human IDDM in several ways. Macrophage, dendritic cell and lymphocytic infiltration of islets can be detected as early as four weeks of age and precedes overt hyperglycemia (43-46). NOD diabetes is T lymphocytedependent (43-45); and it is associated with (MHC) Class II genes (47-50). Cytotoxic T cells and antibodies specific for beta cells or for insulin have been identified, characterized and cloned from NOD mice (44,45,51-55). Loss 10 of tolerance to islet antigens in NODs correlates with appearance of Th1 immune responses to glutamic acid decarboxylase, a factor which has been reported to be a primary auto-antigen in human IDDM (5,657). The disease can be induced in non-diabetic, syngeneic mice by transfer 15 of both CD8' and CD4' T cells or T-cell clones from diabetic NODs (44,52,55,58); and inhibition of NOD macrophages or lymphocytes or treatment with anti-Class ΙI monoclonal antibodies prevents or delays diabetes onset in Defects in NOD macrophages, 20 NOD mice (59,50). complement and NK cell function have been reported (61). It has been suggested that helper T-cells function to activate CD8' cells, which damage beta cells by direct However, some recent studies have cytotoxic attack. suggested that beta cell killing may be indirect, from a 25 nonspecific inflammatory response which initially involves CD4 cells, but also includes infiltrating macrophages, and oxygen free-radicals release cytokines (particularly nitric oxide), known beta cell toxins (62-65). Because of similarities to IDDM, NOD mice are the 30 best model in which to study islet xenografts.

Recently, the Scid-mutation-has been back-crossed onto the NOD background, resulting in immuno-deficient NOD-Scid mice (66-69). These mice homologous for the Scid mutation,

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- 7 -

which results in an inability to rearrange T-cell receptor and immunoglobulin genes (66,67). The consequence is an absence of T and B-lymphocytes. These mice do not develop diabetes spontaneously; but they may be rendered diabetic with multiple low-dose streptozotocin (MLD-SZN) regimens, making them an optimal model for adoptive transfer experiments (67-69). NOD-Scids express NOD MHC genes and other genes that are relevant for development of the disease. They mount robust macrophage and limited NK-cell responses, but are functionally T- and B-lymphocyte deficient (69).

#### Islet Xenografts into Diabetic NOD Mice

Unlike mice with SZN-induced diabetes, diabetic NOD mice rapidly reject unencapsulated islet xenografts, allografts and isografts (7,8,10,19,33,56,70,71). Conventional immunosuppressive regimens have little effect on this reaction (10,71-73). Treatment of NOD recipients with monoclonal antibodies directed against CD4 helper T lymphocytes or FK506 prolongs islet graft function (from 5 to 25 days) (7,8,10,73); but long-term islet graft survival in NODs has not been reported.

Several laboratories have reported that intraperitoneal microencapsulated islets (allo- and xeno-geneic) function significantly longer than non-encapsulated controls, but also by eventually are destroyed recipients spontaneous (autoimmune) diabetes (NOD mice rats) (7,9,19,33,35,70,74-78). Rejection is accompanied by 30 intense cellular reaction, composed primarily of macrophages and lymphocytes, which entraps islet-containing microcapsules and recurrence of hyperglycemia within 21 days, in both NOD and BB recipients (7,19,74,76,77). mechanism of encapsulated islet rejection by animals with spontaneous diabetes remains incompletely understood, but 35

- 8 -

the fact that it rarely occurs in mice with induced (SZN) diabetes suggests that anti-islet autoimmunity may be involved in islet graft destruction.

- 5 Mechanisms of NOD Destruction of Encapsulated Islet Xenografts: Macrophages, T-Cells, and Cytokines
  - It has been suggested by several investigators that microcapsules, like other bioartificial membrane devices promote survival of xenogeneic and allogeneic islets by:
- (A) preventing or minimizing release of donor antigen(s), thereby reducing host sensitization, and/or (B) preventing or reducing host effector mechanisms (i.e. T-cell contact, anti-graft antibody binding, cytokine release).
- Most studies of rejection of islets in microcapsules and 15 other membrane devices have focused on effector mechanisms. For example, Halle (35) and Darquy and Reach (79) reported microcapsules protected donor islets from host immunoglobulins, specifically human anti-islet antibodies and complement effects, in vitro. Although complement 20 are too large (>>150,000 Kd) to components, conventional poly-1-lysine microcapsules, it is possible that antibodies combine with shed donor antigens forming complexes which bind to FcR of macrophages in vivo (in the peritoneal cavity) which could initiate cytokine release 25 causing encapsulated islet destruction (80). Complement could facilitate binding of complexes to macrophages via the C3b receptor or by the release of chemotactic peptides that could increase the number of macrophages.

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Involvement of NOD T-lymphocytes in rejection of encapsulated islets has been proposed by Iwata, et al. (81), who found significant prolongation of encapsulated hamster-to-NOD mouse encapsulated islet xenografts when NOD recipients were treated with deoxyspergualin (DSG), a T-

- 9 -

cell inhibitory immunosuppressant (81). This data is consistent with prior finding of several laboratories, that treatment of NODs with monoclonal antibodies directed against CD4\* helper T cells or FK-506 prolonged function of both encapsulated and nonencapsulated rat-to-NOD islet xenograft (7,8,10,73) and these finding are similar to observations of Auchincloss (27), Pierson (82) and Gill (83), that CD4\* T cells play a dominate role in xenoreactivity.

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A prominence of macrophages/monocytes in peri-microcapsular infiltrates of encapsulated islet allografts and xenografts in NOD mice and BB rats has been reported (7,33,36,74,76-Cytokines known to be products of macrophages, 15 including IL-1 and TNF (62,77,85,86), may be involved destruction of encapsulated islets. Both IL-1 and TNF have been reported to reduce insulin secretion and cause progressive damage of islet cells in vitro (58,62-64,85-Cytokine-mediated injury might occur directly or 20 indirectly, by activation of an intraperitoneal inflammatory response (30,77). Recently, it has been reported by Dr. J. Corbett (IPITA conf. 6/95), that there are as many as ten macrophages within each islet. induces nitric oxide synthase (NOS)(63-65), with resultant 25 generation of nitric oxide (NO), which causes injury to mitochondria and to DNA in beta cells (63-65). Furthermore, this pathway of islet damage is worsened by TNF (88,89). Theoretically, macrophages from within donor islets and host peritoneal cavity or within the down islets 30 could be involved in cytokine-mediated damage encapsulated islets.

Studies of cytokine messenger RNA profiles in hamster-torat liver and pig-to-mouse islet xenografts have found 35 selective increases in Th2 cytokines (IL-4, IL-5, IL-10)

- 10 -

and no change from normal in IL-2 (11,90). distinctly different from those of O'Connell, et al. (91,92), who reported IL-2 messenger RNA in biopsies of allograft rejections of nonencapsulated islets. Increased Th2 activity relative to Th1 (93-95) activity is distinct from the known NOD 'Th1' anti-islet immune response (56,57,96). The Th2 response is characteristic of evoked antibody responses to foreign antigens and suggests that humoral reactions to encapsulated xenografts may be of 10 critical importance. Furthermore, strategies designed to 'Th2' may significantly abrogate responses encapsulated islet xenograft survival. The 'Th2' helper Tcell cytokine mRNA profile is characteristic of antibody responses to foreign antigens.

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# Costimulatory Molecules, APC's and Islet Xenograft Destruction by NOD Mice

Involvement of APCs in immune responses to islet xenografts is suggested by recent studies of Lenschow, et al. (12), 20 who found that blockade of the co-stimulatory molecule, B7 with the soluble fusion protein, CTLA4Iq, prolonged humanto-mouse islet xenografts in SZN-diabetic mice. Several studies, in vitro and in vivo, have shown that foreign molecules which interact with the Т cell receptor (peptides, specific antibodies, mitogens) fail on their own 25 to stimulate naive T cells to proliferate (95,97), and may induce antigen-specific anergy. At least one additional (costimulatory) signal is required, and it is delivered by In mice, one such costimulatory pathway involves the 30 interaction of the T-cell surface antigen, CD28 with either one of two ligand, B7-1 and B7-2, on the APCs (95,97-102). Once this full interaction of T-cells and APCs occurs, however, subsequent re-exposure of T-cells to peptide, mitogen, etc. will result in proliferation in the absence 35 of costimulation. (95).

CTLA4 is a cell surface protein that is closely related to CD28; however, unlike CD28, CTLA4 is expressed only on activated T-cells. B7-1 has a high affinity for CLTA4 than CD28; and it has been suggested that CTLA4 may modulate 5 functions of CD28 (97,103,104). CTLA4Ig is a recombinant soluble fusion protein, combining the extracellular binding domain of the CTLA4 molecule with constant region of the IgG, gene. Both human and murine CTLA4Ig have been shown to inhibit T-lymphocyte responses in mice (141,142). Administration of CTLA4Ig to mice has been shown to induce antigen-specific unresponsiveness (in a murine lupus model)(97,99,105) and long-term acceptance of murine cardiac allografts (106,107). In addition, Lenschow, et al., found that it induced tolerance to human islets in 15 SZN-diabetic mice (12). CTLA4Ig has also been reported to reduce the incidence of diabetes in NODs (108). There are no reports of effects of CTLA4Ig on islet graft survival in spontaneously-diabetic recipients, such as NOD mice. However, our studies show that CTLA4Ig significantly prolongs survival of encapsulated rabbit islets in NOD 20 recipients.

Recent studies have further illuminated helper T-cell-APC interactions, with recognition of the importance of binding of the APC-CD40 antigen to its ligand, GP39, on helper T-cells (109,110). A monoclonal hamster anti-murine GP39 antibody (MR1) blocks helper T-cell interactions with APCs, macrophages, effector T-cells and B-lymphocytes (109,110). Dr. A. Rossini has reported recently (IPITA conf. 6/95) that MR1 plus B7 negative donor spleen cells day 7 allows long-term survival of both allo- and xeno-geneic islets in SZN-diabetic mice.

The Immunogenicity of Encapsulated Islets and Mechanisms of 35 Graft of Destruction

- 12 -

Empty microcapsules have been reported to elicit cellular responses (33,35,36). On the other hand, others have found reactions to empty capsules, (30,76,77,111,112). Impurities in reagents such as contamination with endotoxin high concentrations of mannuronate most contribute to bioincompatibility (113). It is apparent that some formulations of poly-1-lysine microcapsules are biocompatible and some are not. Until standardized available, immunologic studies reagents are are microencapsulated islets can only be interpreted when 10 investigators include empty microcapsule controls which document their biocompatibility.

et al. (114) reported incomplete Recently, de Vos, 15 encapsulation or actual protrusion of islets through microcapsule membranes in some microcapsules, and suggested imperfection biomechanical is one factor microcapsule destruction. Similar observations have been made by Chang (115), who found incorporation of islets and 20 hepatocytes within the walls of poly-1-lysine alginate microcapsules. Several other investigators have published photomicrographs of encapsulated islets showing obvious entrapment of islets in capsules, walls, but did not (35,116,117). comment this problem Incomplete encapsulation would be anticipated to result in premature 25 capsule fracture and exposure of donor islets to host cells; but there are no reports analyzing this as a source of donor antigen exposure, sensitization and host.

30 Relatively few studies have focused on the role of donor islet antigen(s) released from microcapsules in initiating host immune responses. Ricker, et al. (33) reported similar, intense cellular reactions by NOD mice to rat insulinoma, hepatoma and pheochromocytoma cell lines in microcapsules and concluded that the NOD immune reaction

was not islet-specific. Horcher, et al. (36) reported 15week survival of 6/7 encapsulated Lewis rat islet
isografts, compared to failure of 8/10 encapsulated Wistarto-Lewis islet allografts within 56 days. Isograft
biopsies showed viable islets, intact capsules and no
pericapsular immune reaction (36), while biopsies of failed
allografts revealed pericapsular cellular responses and
nonviable islets. This is the only report in the
literature with encapsulated islet isograft controls.

Although the Lewis rat model is not one with autoimmune
diabetes, the results are significant, and suggest that
donor antigen(s) are the stimulus for subsequent host
responses.

- 14 -

#### Summary of the Invention

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This invention provides a method of inhibiting viable cells transplanted into a subject from being destroyed by the subject's immune system which comprises: a) containing the 5 viable cells, or tissue comprising the viable cells, prior transplantation within а device comprising semipermeable membrane; and b) treating the subject with a substance which inhibits an immune-system costimulation event in an amount effective to inhibit the subject's immune system from responding to said contained cells or tissue.

In one embodiment, the substance which inhibits an immunesystem costimulation event is CTLA4. Accordingly, this invention further provides a method of inhibiting viable 15 cells transplanted into a subject from being destroyed by the subject's immune system which comprises: a) containing the viable cells, or tissue comprising the viable cells, prior to transplantation within a device comprising a 20 semipermeable membrane; and b) treating the subject with CTLA4 in an amount effective to inhibit the subject's immune system from responding to said contained cells or tissue.

25 This invention also provides a method of treating diabetes in a subject which comprises: a) containing viable insulinproducing cells, or tissue comprising viable insulinproducing cells, within a device comprising a semipermeable membrane so as to obtain contained viable insulin-producing cells; b) transplanting contained viable insulin-producing 30 cells obtained in step (a) into the subject in an amount effective to treat diabetes in the subject; and c) treating the subject with a substance which inhibits an immunesystem costimulation event in an amount effective to inhibit the subject's immune system from responding to an 35

PCT/US96/15577

- 15 -

amount of contained viable insulin-producing cells according to step (b).

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PCT/US96/15577 WO 97/11607

- 16 -

#### Brief Description of the Drawings

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Figure 1: Encapsulated Lewis rat islet, day #150 after xenografting to unmodified diabetic NOD H&E. (x250). The microcapsule is a "double-wall" microcapsule. Survival of islet xenograft, "double-wall" Figure 2: microcapsule. 10 Figure 3: Comparison of survival of rabbit islets encapsulated in microcapsules with a permeability of up to 70,000 Kd to survival of rabbit islets in microcapsules having a permeability of 100,000 Kd. Effect of Lewis rat splenocyte priming on Figure 4: Lewis rat-to-NOD microencapsulated islet transplantation. Figure 5: Effect of Lewis rat islet priming on Lewis 20 rat-to-NOD encapsulated transplantation.

Microencapsulated dog islet, day #80, from Figure 6: 25 peritoneum of NOD mouse treated with Gkl.5. H&E (x250).

Figure 7: Functioning, encapsulated rabbit islets, biopsied day #86, from peritoneum of NOD mouse, treated with CTLA4Ig. Note absence of NOD cell response and the presence of viable islets within capsule. H&E (x400).

Effects of microencapsulation of islets Figure 8: 35 combined with CTLA4Ig treatment on islet

PCT/US96/15577

#### xenografts.

- Survival of microencapsulated mouse INS-Figure 9: CTLA4 islets transplanted into NODs. These islets express CTLA4. 5 Effects of transplanting rat islets into Figure 10: SZN - diabetic NOD-Scid streptozotocin mice. 10 Effects of transplanting rabbit islets into Figure 11: (SZN)-diabetic streptozotocin NOD-Scid mice. Effects of transplanting microencapsulated 15 Figure 12: rabbit islets into streptozotocin (SZN)diabetic NOD-Scid mice. Functioning, encapsulated rabbit islets, Figure 13: biopsied day #86, from peritoneum of NOD 20 mouse, treated with CTLA4Ig. Note absence of NOD cell response and viable islets within capsule. H&E. (x400). Arrows point to outside of capsule wall. 25 Yield of Islets from Neonatal Porcine Figure 14: Pancreas (Total Islet #). Release form In Vitro Insulin Figure 15: Nonencapsulated (N) and Encapsulated (E) 30 Neonatal Porcine Islets (uU/1000 islets/24hr.) Dispersed neonatal porcine "islets", in
- Figure 16: Dispersed neonatal porcine "islets", in tissue culture, day #5. Anti-insulin

- 18 -

immunocytochemistry demonstrates 5-10% beta cells. Approx. 400X.

Figure 17: Neonatal islet in microcapsule, biopsied day # 103 from SZN-diabetic NOD-Scid mouse. 5 anti-insulin immunohistochemistry, showing intensely insulin-positive beta occupying approximately 80% of islet. Approx. 400X. Arrow points to outer surface of microcapsule membrane. 10 intrasplenic/portal Figure 18: Non-encapsulated procine islet xenograft neonatal streptozotocin diabetic NOD-Scid mouse. 15 Biopsies (not shown) revealed viable porcine islets in both liver and splenic parenchyma. N=1T=Transplant 20 S=Sacrificed for biopsies of spleen and liver Figure 19: Intraperitoneal microencapsulated neonatal porcine islet xenograft into 25 streptozotocin-diabetic NOD-Scid mouse. Biopsied day #103 (see Fig. 20). N=1T=Transplant S=Sacrificed 30 Neonatal porcine islet in mirocapsule, Figure 20:

biopsied day #103 after xenotransplantation to SZN-diabetic NOD-Scid mouse. H & E, X 400. Arrow points to inner surface of microcapsule membrane.

PCT/US96/15577

- 19 -

5	Figure 21:	Encapsuled Neonatal Porcine Islet Xenografts (N=5) in NODs, treated with CTLA4Ig, 200 µg i.p. Q.O.D., x 20 days. NOD 880 was biopsied at day #101 (see Fig. 22).  S=Sacrificed for biopsy ()=Graft failure
10	Figure 22:	Microencapsulated neonatal porcine islet, biopsied 101 days after xenotransplantation i.p. to spontaneously diabetic NOD mouse. CTLA4Ig, 200 $\mu$ g i.p. Q.O.D., days # 0-21. Arrow points to inside of intact microcapsule wall. No pericapsular NOD cellular response. H. & E. x200.
20	Figure 23:	Adjacent section of same biopsy Anti- insulin immunocytochemistry demonstrates that most cells are insulin-positive beta cells. x400.
25	Figure 24:	Intraperitoneal microencapsulated neonatal porcine islet xenografts in NOD mice treated with CTLA4Ig*, which does not fix complement.
30	Figure 25:	Spleen cells were cultured at 2x10 <sup>6</sup> cells/ml in 96-well plates with no antigen, 10 empty capsules, 10 capsules containing neonatal pig islets, 4 x 10 <sup>3</sup> neonatal pig islets that were unirradiated or irradiated with 2000R. Spleen cells were obtained from normal NOD mice (panel A); diabetic NOD mice (panel
35		B); diabetice NOD mice that were transplanted with encapsulated, neonatal

- 20 -

pig islets and injected with CTLA4Ig (panel D) as described in Fig.24. After 48 hrs incubation, <sup>3</sup>H-TdR was added and the cells harvested 18 hrs later. Results represent the average ±SD of triplicate cultures.

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Figure 26:

Lymphokine production in cultures of spleen cells from the mice described in Fig. 24 were determined by ELISA. Spleen cells from normal or diabetic NOD mice were cultured with unirradiated neonatal, pig islets as described in Fig. Supernatent fluids were harvested after 24 hrs of incubation and assayed for IL-4, IL-10 and IFNy using a sandwich ELISA and the appropriate recombinant cytokines standards.

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Figure 27:

Model of immune response to micro encapsulated, xenogeneic islets by autoimmune, NOD mice. Secreted insulin clearly crosses the membrane of double walled microcapsules and regulated glucose levels in engrafted mice. 1): Potentially, other donor proteins or protein fragments of less than 100,000mw (AgX) that are shed or secreted by islets diffuse out microcapsules and are endocytosed dendritic cells. 2): Dendritic cells process proteins via the MHC class pathway and present peptide X complexed with class II and co-stimulatory molecules to CD4 T cells. In the presence of the appropriate cytokines, CD4' T cells are activated and develop into Th2 cells that

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PCT/US96/15577

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express CD40L (GP39). B cells with surface IgM that bind AgX endocytose and process it into peptides that bind MHC class II which are expressed on the surface of B cells. Th2 specific peptide X complexed with class II binds B cells and the interaction of CD40L (GP39) causes the activation of B cells. 3): Activated B cells mature into plasma cells under the direction of Th2 lymphokines. 4): Plasma cells secrete specific antibody that forms AgX. 5): Binding complexed with complexes to FcR activated macrophages to secrete a variety of mediators including IL-1, TNFα and nitric oxide (NO), all of which have toxic effects on islets and all of which are small enough to cross the double-walled microcapsules.

### 20 Detailed Description of the Invention

This invention provides a method of inhibiting viable cells transplanted into a subject from being destroyed by the subject's immune system which comprises: a) containing the viable cells, or tissue comprising the viable cells, prior to transplantation within a device comprising a semipermeable membrane; and b) treating the subject with a substance which inhibits an immune-system costimulation event in an amount effective to inhibit the subject's immune system from responding to said contained cells or tissue.

As used herein, an "immune-system costimulation event" is an interaction between an APC and a T-cell required in conjunction with the binding of an MHC-bound antigen on the surface of the APC to the T cell receptor. Immune-system

- 22 -

costimulation events include any specific binding of an APC cell-surface molecule (other than an MHC-bound antigen) to a specific ligand on a T cell. Such specific bindings include, but are not limited to, binding of a B7 molecule (present on the surface of an APC) to a CTLA4 receptor or a CD28 receptor on the surface of a T cell, and binding of a CD40 molecule (present on the surface of an APC) to GP39 (on the surface of a T cell).

Substances which inhibit immune-system costimulation events are known in the art and include, but are not limited to, T cell or APC cell-surface-molecule analogs, such as MR1 (which blocks the binding of CD40 expressed on the surface of an APC to GP39 expressed on the surface of a T cell), or CTLA4 (which blocks the binding of a B7 molecule to a CD28 receptor or a CTLA4 receptor).

In one embodiment of the method for inhibiting destruction viable transplanted cells described herein, substance which inhibits an immune-system costimulation The term CTLA4, for purposes of this event is CTLA4. invention, is meant to indicate any proteinaceous construct which comprises an amino acid sequence which is the same as or sufficiently the same as the amino acid sequence of the CTLA4 receptor such that the proteinaceous construct is capable of binding to a B7 molecule, thereby blocking the B7 molecule from binding to a CTLA4 receptor on a T cell. Proteinaceous constructs are well known in the art and indicate any molecule which comprises amino acid moieties linked to one another by peptide bonds; including peptides, polypeptides, and molecules comprising peptide and/or Thus, the term CTLA4 includes, but is peptide subunits. not limited to, molecules expressed by the gene encoding the B7-binding site of the CTLA4 receptor in genetically engineered cells, molecules expressed by mutants of the 35

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gene encoding the B7-binding site of the CTLA4 receptor which molecules are capable of binding to a B7 molecule, and synthetic amino acid chains having an amino acid sequence which is the same as or sufficiently the same as the amino acid sequence of the CTLA4 receptor such that they are able to bind to B7. CTLA4 also includes soluble CTLA4 comprising the extracellular binding domain of the CTLA4 receptor, such as CTLA4Ig. Accordingly, the term CTLA4 for purposes of this invention also includes CTLA4Ig, i.e. a recombinant soluble fusion protein which combines the extracellular binding domain of the CTLA4 receptor with the constant region of IgG<sub>1</sub>.

In an embodiment of this invention, the substance which inhibits an immune-system costimulation event also alters the cytokine profile of the subject so as to protect the contained cells or tissue from the subject's immune system. The term "cytokine profile" means the type and quantity of each type of cytokine produced in a subject at a given Cytokines are proteins which have an immune effect 20 and which are released by white blood cells. Examples of cytokines include, but are not limited to interferon (such as gamma-interferon), tumor necrosis factor, interleukin (IL) 1, IL-2, IL-4, IL-6, and IL-10. For example, the substance may be a substance which increases the production 25 of gamma-interferon in the subject. An example of a substance which alters the cytokine profile of a subject so as to protect contained cells or tissue grafted into the subject is CTLA4Ig.

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In another embodiment, the substance which inhibits an immune-system costimulation event binds complement. Substances which bind complement favor prolonged survival of contained cells or tissue grafted into the subject. An example of a substance which binds complement is CTLA4Ig.

- 24 -

This invention also provides a method of inhibiting viable cells transplanted into a subject from being destroyed by the subject's immune system which comprises: a) containing the viable cells, or tissue comprising the viable cells, prior to transplantation within a device comprising a semipermeable membrane; and b) treating the subject with CTLA4 in an amount effective to inhibit the subject's immune system from responding to said contained cells or tissue.

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Devices comprising a semipermeable membrane useful for transplantation of viable cells or tissue are well-known to those of ordinary skill in the art, and any such device may be used in the subject invention. Devices useful for the subject invention may be comprised of various materials and 15 may be formed into various shapes, such materials and shapes being well known in the art. Any particular device for an application of this invention is selectable based on factors including, but not limited to, the biocompatibility 20 material with the subject, the the transplantation, whether the transplantation is intravascular or extravascular, the method of transplantation, availability, and economy. Examples of suitable shapes for devices include, but are not limited to, hollow fibers, discs, and spheres. Suitable materials 25 include, but are not limited to. agarose hydrogel, plastics, polymers, and polyamino acids. A device may be comprised of more than one material.

In a preferred embodiment of the subject invention, the device is a microcapsule. As used herein, the term "microcapsule" means any polyamino acid spherical capsule. Microcapsules as defined herein and their methods of manufacture are well known in the art and include, but are not limited, single layered, double layered, or

- 25 -

multilayered polyamino acid spheres, as well as polyamino acid spheres comprising a layer or more than one layer of alginate.

The viable cells or the tissue comprising the viable cells in the aforementioned method of this invention may be derived from any source for viable cells. In one embodiment, the viable cells or the tissue are derived from a xenogeneic donor, i.e. a subject which is a different species from the subject into which the viable cells or tissue are transplanted. In another embodiment, the viable cells or the tissue comprising the viable cells are derived from an allogeneic donor, i.e. a subject which is of the same species as the subject into which the viable cells or In a further embodiment, the tissue are transplanted. 15 viable cells or the tissue comprising the viable cells are derived from the subject into which they are transplanted, i.e. they are, inter alia, obtained from the subject, contained within the device, and transplanted back into the subject. Viable cells obtained from the subject may, for 20 example, be genetically engineered after they are obtained and before they are transplanted back into the subject.

The viable cells or tissue comprising viable cells may be obtained from any donor. In one embodiment, the donor is a mammal. Such a mammalian donor may, for example, be a calve, a pig, a rabbit, a rat, a mouse, or a human. The viable cells or tissue comprising viable cells may be obtained from a mammalian neonate, such as a neonatal pig.

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The subject of the invented method described herein may be any subject into which transplantation of viable cells is desired. In one embodiment, the subject is a human. If the subject is a human, the viable cells, or tissue containing them, are in one embodiment derived from a

- 26 -

mammal, for example a human.

In another embodiment, the subject is a domesticated As used herein, a domesticated animal is any animal. animal subjected to human intervention. Domesticated animals include, for example, farm animals which are raised by humans and which are used as a resource for products for human consumption. Such products include, but are not limited to, meat, milk, and leather. Examples domesticated animals include, but are not limited to, cows, pigs, sheep, horses, and chickens. Domesticated animals useful in applications of the subject invention may be adults, infants, or domesticated animals at any other developmental stage.

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In one embodiment wherein the subject is a domesticated animal, the viable cells comprise cells which secrete a hormone which promotes growth in the domesticated animal. Such hormones are well known to those of ordinary skill, including hormones such as growth hormone and insulin. The viable cells secreting such a hormone are in one embodiment genetically engineered to secrete the hormone. That is they have been genetically engineered to contain the gene encoding the hormone and are capable of expressing the gene.

In the aforementioned method of this invention, the viable cells in one embodiment comprise cells which secrete a biologically active substance. The term "biologically active substance" as used herein means any substance which is capable of eliciting a physiological response in a subject. The biologically active substance may illicit a response in the subject into which the cells producing it are transplanted. Cells which secrete biologically active substances are well known in the art, and any such cells

- 27 -

may be used in the subject invention.

In one embodiment, the cells which secrete a biologically active substance are endocrine cells. Endocrine cells are well known to those of ordinary skill in the art and include, but are not limited to, insulin-producing cells, hepatocytes, parathyroid cells, and pituitary cells. In another embodiment, the cells which secrete a biologically active substance are neuroectodermal cells. Neuroectodermal cells are also well known in the art, and include, but are not limited to, adrenal cells and lymphocytes.

In another embodiment, the cells are genetically engineered to secrete a biologically active substance. For example, 15 the cells may be genetically engineered to secrete a biologically active substance useful for treating the subject into which they are transplanted. subject method provides a novel, useful, and advantageous drug delivery system for treatment of subjects afflicted 20 with conditions including, but not limited to, cancer and If the subject is afflicted with cancer, HIV infection. the transplanted viable cells may, for example, genetically engineered to secrete Interleukin-2, 25 cytokine, or a lymphokine. If the subject is infected with HIV, the transplanted viable cells may, for example, be genetically engineered to secrete a substance stimulates lymphocyte production in the subject, such as a T cell growth factor or the HIV T cell receptor.

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In the method of the subject invention, the permeability of the semipermeable membrane of the device is determined based on factors well known in the art, for example, the size of the cells or tissue being contained, the size of any substances needed to permeate the membrane in order to

- 28 -

sustain the cells or tissue, and the size of biologically active substances secreted by the cells which are desired to permeate from the device. embodiment, the semipermeable membrane is impermeable to In another embodiment, the semipermeable membrane is impermeable to lymphocytes and immunoglobulins. Using a semipermeable membrane which is impermeable to immunoglobulins and/or lymphocytes prevents contact between the immunoglobulins and/or lymphocytes of the subject and contained viable cells, and thereby destruction of the contained cells which would result from such contact.

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Any suitable method of treatment may be used in the subject invention to treat the subject with the substance which 15 inhibits an immune-system costimulation event, and such methods are well-known in the art. For example, substance may be administered by injection to the subject in the form of a pharmaceutically acceptable composition. If the substance is CTLA4, CTLA4Iq may be directly 20 administered to the subject, or in another embodiment, cells genetically engineered to secrete CTLA4, that is cells which have been genetically engineered to contain a gene encoding a molecule capable of binding to a B7 molecule and to express that molecule, may be transplanted 25 into the subject.

In another embodiment of the invention, treatment of the subject with the substance comprises transplanting into the subject cells genetically engineered to secrete the substance. If cells genetically engineered to secrete the substance are transplanted into the subject, such cells may themselves be contained within a device comprising a semipermeable membrane prior to transplantation. In different embodiments, the semipermeable membrane of the

- 29 -

device containing the cells secreting the substance is impermeable to immunoglobulins and/or lymphocytes, thereby preventing destruction of these cells which would otherwise result from such contact.

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In the aforementioned embodiments, treatment with the substance may occur before, after, of contemporaneously with transplantation of the viable cells or tissue.

In another embodiment of the subject invention, treating the subject with the substance comprises containing cells genetically engineered to secrete the substance within the device containing the viable cells or tissue prior to transplantation.

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In a further embodiment of the invention, treating the subject with the substance comprises genetically engineering the viable cells transplanted into the subject to secrete the substance prior to transplantation.

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The amount of the substance effective to inhibit the subject's immune system from responding to said contained cells or tissue is determined by factors well-known to those of skill in the art, including, but not limited to, the amount of viable cells or tissue transplanted into the subject, and the size and weight of the subject.

Inhibiting the subject's immune system from responding to the contained viable cells or tissue by the method of the subject invention involves an inhibition of immunoglobulin production in the subject and an inhibition of macrophage activation in the subject. Such immunoglobulins and activated macrophages would otherwise be capable of reacting with, and destroying, the contained viable cells or tissue.

- 30 -

This invention also provides a method of treating diabetes in a subject which comprises: a) containing viable insulin-producing cells, or tissue comprising viable insulin-producing cells, within a device comprising a semipermeable membrane so as to obtain contained viable insulin-producing cells; b) transplanting contained viable insulin-producing cells obtained in step (a) into the subject in an amount effective to treat diabetes in the subject; and c) treating the subject with a substance which inhibits an immune-system costimulation event in an amount effective to inhibit the subject's immune system from responding to an amount of contained viable insulin-producing cells according to step (b).

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Substances which inhibit an immune-system costimulation event are known in the art, and any such substance may be used in the method for treating diabetes described herein. Substances which inhibit an immune-system costimulation event which may be used in the subject method for treating diabetes are described above. In one embodiment, the substance is CTLA4.

The viable insulin-producing cells, or tissue comprising viable insulin-producing cells, may be obtained from any known source for insulin-producing cells or tissue comprising insulin-producing cells.

In one embodiment of the subject invention, viable insulinproducing cells are derived from pancreatic islet tissue.
In another embodiment, the viable insulin-producing cells
comprise cells which have been genetically engineered prior
to transplantation to secrete insulin. The viable cells or
tissue may be derived from a xenogeneic donor, an
allogeneic donor, or they may be derived from the subject

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prior to transplantation. If the cells are derived from the subject, in one embodiment, they are genetically engineered to produce insulin after they have been removed from the subject, prior to being transplanted back into the subject.

The viable insulin-producing cells or tissue comprising viable insulin-producing cells, such a pancreatic islet tissue, may be obtained from any donor. In one embodiment, Such a mammalian donor may, for 10 the donor is a mammal. example, be a calve, a pig, a rabbit, a rat, a mouse, or a The viable insulin-producing cells or tissue viable insulin-producing cells, comprising pancreatic islet tissue, may be obtained from a mammalian neonate, such as a neonatal pig. In one embodiment, the 15 viable insulin-producing cells or tissue comprising viable insulin-producing cells used in the subject invention comprises neonatal porcine (pig) pancreatic cells.

The subject of the invented method described herein may be any subject into which transplantation of viable cells is desired. In one embodiment, the subject is a human. If the subject is a human, the viable cells, or tissue containing them, are in one embodiment derived from a mammal, for example a human.

Devices comprising a semipermeable membrane are well-known to those of ordinary skill as described above, and any such device may be used in the subject method of treating diabetes. In different embodiments of the method, the device is a hollow fiber, a disk, and a sphere. In another embodiment of the method, the device is a microcapsule as described above.

35 The method of treating diabetes described herein may be

- 32 -

applied to any subject for whom diabetes treatment is In one embodiment of the invented method for treating diabetes in a subject, the subject is afflicted with insulin-dependent diabetes mellitus (IDDM). 5 another embodiment of the method, the subject is a mammal, for example a human.

The amount of contained viable insulin-producing cells transplanted into the subject effective to treat diabetes in the subject depends on factors known to those of 10 ordinary skill, including, but not limited to, factors such as the weight of the subject, and the severity of the diabetes.

15 The permeability of the semipermeable membrane of the device in the subject method of treating diabetes determined by factors known to those of ordinary skill, including those factors for determining permeability described above. In different embodiments of the method, semipermeable membrane is impermeable 20 the to immunoglobulins and/or lymphocytes.

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Treatment of the subject with the substance which inhibits an immune-system costimulation event in the subject method of treating diabetes includes those methods of treatment described above. If the substance is CTLA4, treatment may comprise administering CTLA4Ig to the subject, for example by injecting CTLA4Ig into the subject. Treatment with the substance may, as described above, comprise transplanting into the subject cells genetically engineered to secrete Such genetically engineered cells may the substance. themselves be contained within a device comprising a semipermeable membrane prior to transplantation. treatment with the substance comprises transplanting into 35 the subject cells genetically engineered to secrete the

PCT/US96/15577

within a device comprising contained substance device is in different membrane, the semipermeable immunoglobulins and/or impermeable to embodiments lymphocytes.

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In the aforementioned methods of treating the subject with a substance, such as CTLA4, capable of inhibiting an immune-system costimulation event, treatment may occur before, after, or contemporaneously with transplantation of the contained viable insulin-producing cells into the subject.

In another embodiment of the subject method of treating diabetes, treating the subject with the substance capable costimulation immune-system inhibiting an 15 of comprises containing cells genetically engineered secrete the substance within the device containing the insulin-producing cells ortissue prior viable transplantation.

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In another embodiment of the subject method of treating diabetes, treating the subject with the substance comprises genetically engineering the viable insulin-producing cells to secrete the substance prior to transplantation.

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Inhibiting the subject's immune system from responding to contained viable insulin-producing cells or tissue by the subject method of treating diabetes involves an inhibition of immunoglobulin production and of macrophage activation in the subject which would otherwise react with and lead to the destruction of the viable insulin-producing cells or tissue.

This invention will be better understood from the "Experimental Details" section which follows. However, one

- 34 -

skilled in the art will readily appreciate that the specific methods and results discussed therein are not intended to limit, and rather merely illustrate, invention as described more fully in the claims which follow thereafter.

#### Experimental Details

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#### Improvements in Microcapsule Design

formulation of poly-1-lysine-alginate improved 10 microencapsulation which allows nearly indefinite survival of rat islets in spontaneously diabetic NOD mice is the "double-wall" microcapsule (Figures 1 and 2). This doublemicrocapsule is more durable than conventional microcapsules, with fewer capsule wall defects, has a 15 measured membrane permeability of approximately 100,000 Kd, and excludes IqG (unlike conventional design capsules, which allowed passage of IgG and 148,000 Kd fluoresceinated dextran) (9,19,20,118). These data support the relevance of encapsulated islet xenografts for eventual application in humans with IDDM. 20

## Poly-L-Lysine (PLL) Concentration Alters Permeability of PLL-Alginate Microcapsules

It was postulated that microencapsulated islet xenograft 25 survival would be influenced by microcapsule permeability. We found that microcapsule permeability may be altered by increasing or decreasing the concentration of PLL (poly-1lysine) in the microcapsule formula. Red blood cells were encapsulated in alginate via an air jet system and then 30 incubated with various polyamino acids including PLL. RBCs were then lysed and hemoglobin (MW 64,500) efflux was measured spectophotometrically at 480nm as a function of time alongside a concurrent control. Permeability coefficient was calculated according to the following formula: (2.303 ° Cf ° Vt ° S) / (Ci ° At), where Cl and Cf

are the initial and final hemoglobin concentrations, Vt and volumes and areas of capsules are the total respectively, and S = slope of ln (Ct-Cf) / (Ci-Ct)(119). PLL substitutions (poly-1-ornithine, alanine, aspartate and histidine) did not result in viable capsules. molecular weight alterations did not effect permeability. PLL concentration was the most critical factor in altering capsule diffusion. These observations are supported by the recent findings of other investigators (119). There was a thirteen fold decrease in hemoglobin efflux occurring 10 in capsules that had a fourfold increase in PLL (see <u>Table</u> In experiments, encapsulated rabbit islet survival in NODs is prolonged using microcapsules with permeability <70,000 Kd vs. 100,000 Kd (see Figure 3).

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Increasing PLL Concentration Reduces Microcapsule Permeability to Hemoglobin

PLL	0.050 0.125		0.137	0.144	0.150	0.200	
Concentration					:		•
(n/m %)					,		
Permeability	- 50	.98	52	30	6.7	3.8	
constant							
(E-06cm/sec)	-						
							_

## Microcapsules Pr vent or Delay Host Sensitization

To clarify the mechanism of long-term microcapsule protection of xenogeneic rat islets, experiments were 5 performed in which paired diabetic NODs were pre-treated with saline or Lewis rat islets (200 intra-peritoneally) or 106 Lewis rat splenocytes intra-peritoneally. Encapsulated Lewis islets were xenografted into presensitized and control NODs 14 days later. As shown in Figures 4 and 5, both islet- and splenocyte pretreatment resulted in rapid graft rejection while non-presensitized NODs accepted encapsulated islet xenografts long-term. These data suggest that a major function of microcapsules is to prevent host sensitization, rather than to protect grafts from the effector arm of the response. Thus, maneuvers which reduce islet Immunogenicity may be synergistic with islet encapsulation.

# Comparisons of Encapsulated Islet Iso-, Allo- and Xenograft 20 Survival in NODs

We have found that microencapsulation allowed islet xenograft survival in NODs of 79  $\pm$  15 days (N=8) (X  $\pm$  SE) for Lewis rat islets, vs. 20 ± 2 days (N=7) for rabbit islets and 14  $\pm$  4 (N=3) for dog islets (Table 2), with 25 similar peri-microcapsule NOD cell accumulations NODs also rejected encapsulated, allogenic rejection. Balb/c islets in 73  $\pm$  31 days (N=4) and encapsulated isologous NOD islets in 44  $\pm$  7 days (N=4) (Table 2). However, biopsies of these allo- and isologous grafts, at rejection, have shown few host macrophages adherent to microcapsules, while free peritoneal cells (thus far not Thus encapsulated islet characterized) were present. xenograft rejection is distinct from iso- and allo-graft rejection in this model.

Table 2.

Islet Iso-, Allo- and Xenografts in NOD Mice

Group	Donor-Recip	Technique	Rx.	(N)	Surv (days)@
1	NOD-NOD	CAP/I.P.	(-)	4	44 ± 7°
2	Balb-NOD	CAP/I.P.	(-)	4	6,7,7
3	LeRat-NOD	CAP/I.P.	(-)	8	5,5
4	Dog-NOD	CAP/I.P.	(-)	3	73 ± 31
5	Rabbit-NOD	CAP/I.P.	(-)	7	79 ± 15
6	Rabbit-NOD	CAP/I.P.	СуА	4	14 ± 4
7	Rabbit-NOD	CAP/I.P.	CTLA41g	7	20 ± 2
8	Rabbit-NOD	Splenic	CTLA4 Ig	2	<b>22</b> ± 3
9	Rabbit-NOD-Scid	Splenic	-	1	22 ± 6
10	Rabbit-NOD-Scid	CAP/I.P.	-	1	98 ± 25#
11	LeRat-NOD-Scid	Splenic	-	2	6
12	Rabbit-NOD-Scid	Splenic	-	1	1198
13	Rabbit-NOD-Scid	CAP/I.P.	-	4	56 ± 11
14	LeRat-NOD-Scid	Splenic	<u>-</u>	- 2-	124 <sup>6</sup> -
15	Calf-NOD	CAP/I.P.	(-)	ı	24
16	Pig-NOD	CAP/I.P.	(-)	2	6,8
17	Human-NOD	CAP/I.P.	(-)	1	6

\*=P<.002 vs. Group 7; @= Mean <u>+</u> SEM; #=P<.05 vs. Group 7; \*\*=P<.003 vs. Group 7

CAP/I.P.= microencapsulated islet graft to peritoneal cavity; Splenic = Nonencapsulated islets grafted beneath splenic capsule.

We have also found that microencapsulation prolongs the functional survival of islet xenografts in NODs, when compared to survival of unencapsulated islets injected into the spleen. The same is true for islet allografts and for islet isografts into NODs (Table 3).

Table 3.

Beneficial Effect of "Double-Wall" Microencapsulation of
Survival of Islet Iso-, Allo-and Xenografts in NOD Mice

Donor-Recip	Technique	(N)	Surv(days)@
NOD-NOD	CAP/I.P.	4	44±7°
NOD-NOD	Splenic	3	6,7,7
Balb-NOD	CAP/I.P.	4	73±31°
Balb-NOD	Splenic	2	5,5
Lewis Rat-NOD	CAP/I.P.	8	79±15°
Lewis Rat-NOD	Splenic	9	19±3
Dog-NOD	CAP/I.P.	3	14±4°
Dog-NOD	Splenic	2	0,0
Rabbit-NOD	CAP/I.P.	7	20±2°
Rabbit-NOD	Splenic	2	5,6
Neonatal Pig-NOD	CAP/I.P.	8	27±13°
Neonatal Pig-NOD	Splenic	3	6±1
p<.01 vs. spl	l enic: @=Mean	± SEM.	CAP/I.P. =

p<.01 vs. splenic: @=Mean ± SEM.CAP/I.P. = microencapsulated islet graft to peritoneal cavity;

Splenic = Nonencapsulated islets grafted beneath splenic capsule.

Functioning and rejected encapsulated xenografts were biopsied from the peritoneal graft sites of spontaneously diabetic NOD mice, on days #4-#50 post-transplantation. 5 Controls included normal mouse peritoneal fluid and peritoneal fluid from NOD mice bearing empty capsules or capsules with functioning (recipient normoglycemic) rat islets (20,74). However, cell number dramatically at rejection on days #14 and #50. Pipetting of biopsied capsules freed adherent cells. Flow cytometric 10 analyses revealed that 20-50% of non-adherent peritoneal cells were B220 to (B cells), and that the majority of free peritoneal cells and cells adherent to microcapsules were Mac1 (20,74). The percentages of CD4 and CD8 peritoneal 15 cells were low (4-9%). By FACS analysis, the phenotype of peritoneal Mac1 cells shifted from predominantly Gran1- to during rejection of xenogeneic (vs. empty capsules) (20,74,120). microcapsules findings were confirmed by immunocytochemistry (20,74). addition, immunocytochemistry documented IgG and IgM around 20 microcapsules, and IL-1 and TNF alpha both around and within microcapsules (20,74).

## Analysis of Cytokine Messenger RNA (mRNA) in Encapsulated Islet Xenografts Biopsies from NODs

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To elucidate the pathogenesis of NOD destruction of encapsulated islets, mRNA was extracted from recipient NOD peritoneal cells and expression of mRNA for IL-2, IL-4, and IL-10 was studied by RT-PCR, as previously described (121). Integrity of RNA samples was assessed by inspection of northern transfer and hybridization with the probe for the 3' untranslated region of beta actin (121). IL-4 was detected in the majority of xenografts undergoing rejection. IL-10 expression was variable (Table 4). IL-2

detected during autoimmune destruction of NOD isografts, (and in one allograft) but only rarely in rejecting xenografts (Table 4). These data suggest that the primary T cell response in rejecting encapsulated islet "Th2-like". interpretation This is 5 xenografts consistent with the observation that large numbers of activated macrophages and immunoglobulins are associated with rejecting encapsulated islet xenografts in NODs. Thus, it is possible that rejection of encapsulated islet xenografts is initiated by soluble, or shed, xenoantigens that are processed via the Class II pathway by host APC. These APC then activate Th2 cells via B7/CD28 dependent We postulate that formation of antigenmechanisms. antibody complexes in the peritoneal cavity activates macrophages to release cytokines that are directly toxic to 15 encapsulated islets.

Table 4.

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## CYTOKINE mRNA IN BIOPSIES OF ENCAPSULATED XENO- ISLETS IN NOD MICE

							m
Islet Donor	NOD#	Sample	Day Rejected	Day Biopsied	IL2	IL4	
NOD	194	FC'	39	40	+		-
	291	FC	14	21	+		
Balb/c	487	Cap	12	14	+		_
Rat	154	Cap	18	20	-	+	
	154	FC	18	20	-	+	
	58	Cap	34	. 38	-	+	
	165	Cap	21	28	• -	+	
	54	Cap	136	143	+	. +	
	54	FC	136	143	+	-	
	107	FC	41	45	-	-	
	453	Cap	132	134	<u>+</u>		
Canine	141	Cap	17	24	-	+	
	268	Cap	13	14	-	-	
	268	FC	13	14	-	•	
	69	FC	18	24	<u> </u>	+	_
Rabbit	91	Cap	35	49	•	-	
	91	FC	35	49	-	+	
	151	Cap	28	32	+	+	
	46	FC	12	15	-	+	
·	55	FC	18	21	-	+	
	152	FC	Funct.	15	-	+	
	157	FC	Funct.	15	+		
Human	136_	Cap	6	8		_ +	

Cap = Cells adherent to capsules

FC = Free peritoneal cells

<sup>40</sup>  $\phi$  = RT-PCR (-) is undetachable and (+) is detachable

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# The NOD-MHC is Necessary for Rejection of Encapsulated Islet Xenografts

Both NOD and (SZN-diabetic) B10.H-2g7 (expresses the NOD-5 MHC-linked disease allele) rejected encapsulated rat islets, while NOD.H-2b mice, which express all of the nondiabetes susceptibility genes, encapsulated rat islets for >100 days (similar to B10 This suggests that the NOD-MHC controls)(75). 10 contribute to destructive responses against encapsulated islets which are distinct from diabetes susceptibility, since neither B10.H-2 g7 nor NOD.4-2b mice develop diabetes spontaneously (20,75). The possibility that SZN treatment of BIO.H-297 mice may have initiated an autoimmune response 2/2 non-diabetic however, 15 was considered; B10.H-2 97 mice rejected encapsulated rat treatment) islets (by biopsy histology, day #60)(75).

## CD8 Depletion Does Not Protect Encapsulated Islet Xenografts in NODs

It was found that treatment of NOD recipients of encapsulated rabbit islets with either monoclonal antibody 53.6.7, (100µg i.p. day -5 and then twice weekly) (anti-CD8) or cyclosporine (CyA), 30. Mg/kg, s.c., daily had no effect on graft survival (Table 2). CD8 cell depletion was confirmed by flow cytometry of NOD spleen and peritoneal cells. Biopsies of failed grafts revealed intense host cellular responses and non-viable islets within intact microcapsules. These data are consistent with prior observations, that CD4 (but not CD8) T-cells play a dominate role in non-encapsulated islet xenograft rejection (83). They also are consistent with a predominantly Th2 NOD rejection mechanism of encapsulated islet xenografts.

- 44 -

## Co-stimulatory Blockade Prolongs Encapsulated Islets Xenografts in Diab tic NODs

It was shown previously that inhibition of CD4' helper T-cells by administration of monoclonal antibody GK 1.5 to diabetic NOD recipients resulted in significantly increased survival (>100 days) of both encapsulated rat and dog islets (7,84) (Figure 6). The experiments herein show that treatment of NOD mice with CTLA4Ig (200µg i.p. day #0, and QOD until day #90) significantly prolonged encapsulated rabbit islet survival, from 20 ± 2 days to 98 ± 25 days (p<.05) (see Table 2 and Figures 7 and 8).

This suggests that an "indirect" pathway of antigen presentation is dominant in NOD responses to encapsulated islet xenografts. Unlike findings with human islet transplanted to SZN-diabetic mice (12), CTLA4Ig alone did not increase nonencapsulated rabbit or rat islet survival in NODs (intrasplenic or renal subcapsule)(Table 2), suggesting that encapsulation and CTLA4Ig both were required to prolong graft survival.

Furthermore, the experiments herein show that encapsulated female islets from INSCTLA4 mice, which express CTLA4 on the beta cell insulin promoter, function long-term in NODs Unencapsulated INSCTLA4 islets were (see Figure 9). rejected by NODs in 6-7 days. These data suggest that indefinite survival of discordant islet xenografts may be achieved by combinations of donor islet encapsulation and limited host immunomodulation. These data also support the working hypothesis that donor antigen(s) are shed from microcapsules and processed by APCs which activate CD4° T cells via B7/CD28-dependent mechanisms. In this model, CTLA4-transgenic mice secrete CTLA4, along with insulin, and CTLA4 inhibits antigen presentation. Interestingly, female mice secrete more CTLA4 than do male mice in this

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transgenic model (pers. Comm.).

### NOD-Scid Mice Accept Rat and Rabbit Islet Xenografts Long-Term

5 These experiments demonstrate that NOD-scid mice are susceptible to MLD-SZN diabetes (30mg/kg daily x5); and of NOD-scid diabetes with xenografts nonencapsulated and encapsulated rat and rabbit islets for greater than 50 days is documented (see Figures 10,11, and 12 and Table 2). Thus, the NOD-scid mice will serve as a 10 good recipient model for the transfer of antibodies and/or T cells for studies of the mechanisms by which encapsulated islets are rejected. We noted recurrent hyperglycemia in 3/4 NOD-scids receiving microencapsulated rabbit islets, on Biopsies revealed disrupted days #51, #68, and #70. capsules and minimal cellular failure for controls microcapsule since empty reasons, concurrently, showed broken microcapsules (in 1/3) and intact microcapsules (in 2/3) at day #50.

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## Costimulation Blockade with CTLA4Ig Method:

Adult New Zealand rabbit islets were isolated by ductinjection, collagenase digestion. Rabbit islets (approx.
25 2000) were encapsulated in double-wall, poly-1-lysinealginate microcapsules and xenografted intraperitoneally in
NODs, as previously reported (7,20). Controls received
approximately 2000 unencapsulated rabbit islets xenografted
beneath the splenic or renal capsule, as previously
30 described (7,20).

Murine CLTA4Ig, provided by Bristol-Myers-Squibb, Seattle, WA, was administered at 200ug intraperitoneally (i.p.), day-1 and then Q.O.D. for 14 or 92 days, or until graft rejection.

- 46 -

Controls included NODs receiving identically encapsulated rabbit islets (i.p), and given no additional treatments, cyclosporine 30mg/kg s.c., day-1, and then daily, or monoclonal anti-CD8 antibody #53.6.7.7 (A.T.C.C.), 100µg i.p. day-5, +2, and then weekly.

Biopsies of long-term functioning peritoneal microcapsules were done periodically, using metafane anesthesia and sterile technique. Removal of 100-200 microcapsules allowed histologic light microscopic studies without altering graft-related normogycemia.

At 180 days after successful encapsulated rabbit islet xenografting, splenectomy was performed on one long-term 15 functioning, biopsy-proven, CTLA4Ig-treated NOD.  $(10^7)$ passively transferred, were splenocytes intraperitoneally, to two naive diabetic NODs, subsequently received identically encapsulated fresh rabbit Zealand, not New inbred), islets (donor-type 20 intraperitoneally, on day 10-14 after splenocyte transfer. Statistical difference between groups were assessed by use Student's "t"-tested and by ANOVA.

#### Results:

Treatment of NODs with CTLA4Ig prolonged survival of 25 intraperitoneal poly-1-lysine-alginate microencapsulated donor rabbit islet xenografts (CAP/I.P.) In spontaneously when compared either NODs, to microencapsulation or host CTLA4Ig treatment alone. The 30 longest functioning grafts were in NODs treated for 92 days graft survival CTLA4 IgK, but mean statistically different from that of NODs which received CTLA4Ig for only 14 days (See Table 5). By contrast, treatment with cyclosporine NOD recipient 35 monoclonal antibodies specific for CD8 (53.6.7.7) or CTL4Ig alone were ineffective (See Table 5). Biopsies of long-term surviving encapsulated rabbit islets from NODs documented intact microcapsules, viable donor islets, and absence of per-capsular NOD cellular response (See Figure 13).

Biopsies of failed CTLA4Ig-treated, encapsulated rabbit islet xenografts showed primarily disrupted (broken) microcapsules, few viable islets, and minimal pericapsular cellular reaction. Biopsies of intrasplenic rabbit islets 10 at rejection showed nuclear and cytoplasmic damage and of controls receiving nonviable islets. Biopsies intraperitoneal encapsulated rabbit islets, plus CyA or 53.6.7.7 recipient treatments or no treatment, performed at 15 rejection on days 12-52 post-grafting, uniformly showed pericapsular accumulations of macrophages, neutrophils, and lymphocytes, as previously described (143,3,144).

Both NODS receiving encapsulated rabbit islets 10-14 days following passive transfer or 10' splenocytes from a long-term normoglycemic NOD, (with functioning encapsulated rabbit islets, off CTLA4Ig treatment for 90 days) rejected their grafts in 10-12 days, with graft biopsies which were indistinguishable from untreated control NODs. Biopsies of pancreas from NODs in all experimental groups showed uniform absence of islets, and occasional accumulation of lymphocytes in perivascular areas.

- 48 -

Table 5:

# EFFECTS OF CTLA4Ig, CyA AND ANTI-CD8 MONOCLONAL ANTIBODY ON ENCAPSULATED RABBIT ISLET XENOGRAFT SURVIVAL IN DIABETIC NOD MICE

					<u>Graft</u>	<u>Survival</u>
Group	Donor-Recip	Technique	Rx.	(N)	X+SE	Days
#1	Rabbit-NOD	CAP/I.P.	None	<b>7</b> .	20±2	12,16,18,18,
		•			•	20,28,28
#2	Rabbit-NOD	CAP/I.P.	СуА	4	22±3	13,24,26,26
#3	Rabbit-NOD	CAP/I.P.	53.6.7.7	4	5±9	14,15,18,52
			7.7			
#4	Rabbit-NOD	CAP/I.P.	CTLA41g	8	108±24°	37°,43,47,58
			(x92 days)			148,1516,173,
						205 <sup>d</sup>
#5	Rabbit-NOD	CAP/I.P.	CTLA41g	4	70±8"@	48,66,81,83
			(x14 days)		,	
#6	Rabbit-NOD	Renal/	CTLA41g	3	6±1°	5(s),6(r),6(a)
	•	Splenic	-			
#7	Rabbit-NOD	Renal/	None	2	_	5 <sup>(a)</sup> ,6 <sup>(r)</sup>
		Splenic				-

s = sacrificed, functioning graft.

CTLA41g, 200µg day -1, then Q.O.D., i.p.

CyA - 30mg/kg day -1, then Q.D., s.c.

 $63.6.7.7 - 100 \mu g$ , day -5, +2, then weekly, i.p.

(r) = renal subcapsule, not encapsulated

(s) = splenic subcapsule

 $\Theta = P = .31 \text{ vs. Group #4, ANOVA}$ 

#### Large-Scale Neonatal Porcine Islet Isolation

We believe the neonatal pig is the most promising xenogeneic

d = died, functioning graft.

<sup>&#</sup>x27;p<.005 vs. Group 1, ("t"-test).

<sup>&</sup>quot;p<.0001 vs. Group 1, ("t"-test).

A reproducible method for source of donor islets. isolation of large numbers of functionally viable islets from neonatal procine donors has been developed (146,147). With this technique, 30,000-100,000 islets may be obtained from each donor pig (Figure 14). Neonatal pig islet cells in vitro after insulin secrete to continue microencapsulation. (Figure 15). These neonatal pig islets are actually dispersed neonatal porcine pancreatic cells which reaggregate to form "islet"-like spheroids with approximately 5-10% beta cells (Figure 16), which is significantly higher than the 1-2% beta cell concentration in the adult procine pancreas. Furthermore, biopsies of these "islets" 100 days following xenotransplantation reveal increased numbers of intensely insulin-positive islet cells (Figure 17). These neonatal pig islets have an added advantage over adult islets, in that they appear to differentiate and proliferate within microcapsules after 15 transplantation.

Both Encapsulated and Non-encapsulated Neonatal Porcine Islets Reverse SZN-Diabetes in NOD-Scid Mice.

Recently, the Scid mutation has been back-crossed onto the NOD background, resulting in immuno-deficient NOD-Scid mice (66,67,68,69). These mice are homozygous for the Scid mutation, which results in an inability to rearrange T-cell receptor and immunoglobulin genes (48,79). Consequently, these mice lack T and B-lymphocytes. NOD-Scid mice do not develop diabetes spontaneously; but they may be rendered diabetic with multiple low-dose streptozotocin (MLD-SZN), (67,68,69) NOD-Scids express NOD MHC genes and other genes that are required for development of diabetes, upon transfer of lymphocytes from diabetic NODs.

To document functional viability of neonatal procine islets, we xenografted them into SZN-diabetic normalized

- 50 -

hyperglycemia in streptozotocin-diabetic NOD-Scid mice for >100 days (Figures 18, 19, 20). This data demonstrates that neonatal procine islets survive and function physiologically in xenogeneic recipients for prolonged periods, in the absence of an immunological attack.

We have found that CTLA4Ig significantly prolonged survival of encapsulated rabbit and porcine islets in NOD recipients, whereas CTLA4Ig alone did not protect non-encapsulated islet xenografts in NOD mice (Table 6 and Figure 21).

Table 6. Survival of Microencapsulated (MC) Adult Rabbit and Neonatal Procine Isl ts

in NOD Mice:

Effects of NOD Treatment with CTLA41g

					Graft S	Graft Survival
Õ	Donor	Technique	<b>%</b>	(X)	X±S.E.	Даув
Rabbit		MC/I.P.	None	7	20#2	12,16,18,18,20,28,28
Rabbit		MC/I.P.	CTLA4-19*	8	108±24	37,43,47,58,
						148,151,173,205
Rabbit		MC/I.P.	CTLA4-19	4	70±8°	48,66,81,83
			CTLA4 - 19			
Rabbit		Splenic	None	е	6±1.	5,6,6
Rabbit		Splenic	None	7		9,5
Neonat	Neonatal Pig	MC/IP	CTLA4 Iqe	80	27±13	9,10,12,12,14,14,23,118(5)
Neonat	Neonatal Pig	MC/IP	).	S	111117	74'51, 80, 101'51, 137'51,
		-	CTLA419°			161(8)
Neonat	Neonatal Pig	Splenic	None	m	5±1	U, U, A
Neonat	Neonatal Pig	Splenic		ω.	9	, , ,

a) x92 daysb) x14 days

c) x21 days

(s) = sacrifice for biopsy

CTLA41g, 200 mcg I.P., QOD = p > .001 vs. MC alone

IP-intraperitoneal

- 52 -

Biopsies of long-term functioning encapsulated neonatal porcine islet xenografts showed viable porcine islets within intact microcapsules and absence of host NOD pericapsular reactivity was observed in biopsies of long-term normoglycemic NODs (Figure 22 and 23).

To analyze the potential mechanisms of action of CTLA4Iq in this model, we substituted a recently devised mutant of CTLA4Ig, which does not fix complement (CTLA4Ig\*) (145). As shown in Figure 24, our studies have revealed that CTLA4Ig does not prolong graft survival above that of capsules alone. The data are distinct from findings with murine allografts, which are prolonged significantly by either conventional CTLA4Ig or mutant CTLA4Ig. These results suggest that mechanisms of prolongation of graft survival by CTLA4Ig may be different for allogeneic and xenogeneic islet grafts. The results suggest that the cytokine profile in a subject can be altered in favor of graft protection. In the sytem studied in this experiment, conventional CTLA4Ig altered the cytokine production so as to protect the graft by increasing gamma-interferon production in the host. Conversely, in the studied system, IL-10 production induced by CTLA4Ig\* increase in treatment favored graft rejection.

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We also measured proliferative responses by spleen cells from a matched pair of diabetic NOD mice that were transplanted with the same batch of encapsulated, neonatal pig islets but were treated with either CTLA4Ig or the non-complement fixing CTLA4Ig (Figure 25). In this experiment, normal or diabetic NOD mice did not proliferate when stimulated by neonatal pig islets (panel A and B). The reason for the inconsistent response of nontransplanted NOD mice is not yet known but is under investigation. Empty capsules did not induce proliferation in any of the

- 53 -

spleen cells but islets and encapsulated islets recognized by T-cells are small enough to exit from microcapsules. However, more experiments may verify this interpretation. As usual, background responses of spleen cells from mice rejecting grafts (panel D) were higher than those from mice that were not rejecting grafts (panel C).

These results suggest that spleen cells from both mice engrafted with encapsulated islets were primed in vivo, and are somewhat surprising given the fact that the mouse that received CTLA4Ig showed no signs of rejection. results did not address the possibility that there might be different fluids from cultures stimulated with neonatal pig islets for lymphokines by ELISA (Figure 26). These results indicate that lymphokines were produced only by mice that neonatal, islets. engrafted with piq importantly, spleen cells from the mouse that had accepted its graft long term (treated with CTLA4Ig) produced a preponderance of INFy and low levels of IL-10. results suggest that CTLA4Ig induced long term tolerance to neonatal pig islets that is associated with T cells that produce INFy. Rejection of xenogeneic islet graft occurred when lymphokines shifted to IL-10. Thus, graft rejection is associated with a Th2-like response, whereas graft survival is associated with Th1-like responses. findings are consistent with our working model (Figure 27). These results differ somewhat from the picture obtained by analyzing mRNA level at the site of rejection where IL-4 predominated in mice that rejected the encapsulated, xenogeneic islets.

#### Discussion:

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On the basis of our data, we develop a model to describe the mechanisms that we think are involved in rejection of microencapsulated xenogeneic islets by autoimmune, NOD mice

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(Figure 27). Secreted insulin clearly crosses the membrane of double walled microcapsules and regulates glucose levels in engrafted mice. Potentially, other donor proteins or protein fragments of less than 100,000 mw (AgX) that are shed or secreted by islets diffuse out of the microcapsule and are endocytosed by dendritic cells. Dendritic cells process proteins via the MHC class II pathway and present peptide X complexed with class II and co-stimulatory molecules to CD4\*T cells. In the presence of CD4'T cells are activated and appropriate cytokines, develop into Th2 cells that express CD40L. B cells with surface IgM that binds AgX endocytose and process it into peptides that bind MHC class II which are expressed on the surface of B cells. Th2 specific peptide X complexed with class II binds B cells and the interaction of CD40 with CD40L causes the activation of B cells. Activated B cells mature into plasma cells under the direction of Th2 lymphokines. Plasma cells secrete specific antibody that forms complexes with AqX.

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Antibodies are not able to directly damage the encapsulated islets because they are too large to enter the capsules. However, antibodies could be involved in the recruitment and activation of macrophages which are the predominant population in the peritoneal cavity of NODs rejecting encapsulated islet xenografts. Specific antibodies in the peritoneal cavity could form complexes with antigens shed or secreted from the capsules. Such antigen-antibody complexes efficiently bind to FcR expressed on the surface of peritoneal macrophages. Binding of complexes to FcR activates macrophages to secrete a variety of mediators including IL-1, TNFa and nitric oxide (NO) (122,123), all of-which-have-toxic-effects-on-islets-and-all-of-which-aresmall enough to cross a double walled microcapsule. effector arm could be further augmented by the activation

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of complement (c) by antigen complexes. C3b bound to the complexes enhances the activation of macrophages by increasing the binding of the complexes via the C3b receptor (124) and small peptides such as C3b released during complement activation induce local inflammatory responses thereby attracting more macrophages into the peritoneal cavity (125).

We demonstrated synergy of donor islet microencapsulation and NOD CTLA4Ig treatment in prolonging islet xenograft survival. Our data represent the longest biopsy-proven survival of discordant islet xenografts in NODs reported to date. Neither CTLA4Ig nor encapsulation alone were effective. Furthermore, splenocytes from a long-term successful graft recipient did not transfer donor-specific unresponsiveness. Failure of anti-CD8 and CyA therapies is consistent with our hypothesis of a primarily Th2 type response in this model.

considerable evidence that xeno-recognition There is (unlike allorecognition) occurs primarily via the so-called "indirect" antigen presentation pathway, by which host APC present peptides scavenged from extracellular proteins to host helper T-cells (27,137,29,138). Our recent report, that the host MHC is critical to NOD rejection of encapsulated islet xenografts (75), and our prior observations, that helper T-cells are essential for this response (7), both are consistent with an "indirect" Our prior findings of more rapid destruction of (widely unrelated) encapsulated "discordant" porcine) than "concordant" rabbit, bovine, (canine, (closely related) (rat) islets (20), also support this hypothesis, since the "direct" pathway would favor an "concordant" donor tissue. reaction to accelerated Furthermore, our current data suggest that "indirect"

- 56 -

antigen presentation may be blocked by CTLA4Ig in this model of encapsulated islet xenotransplantation. In conclusion, we have found that neither microencapsulation nor CTLA4Ig alone prevent NOD destruction of rabbit islets. However, we have observed synergy between CTLA4Ig treatment of NOD recipients plus encapsulation with significantly prolonged discordant islet xenograft survival.

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78 -

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PCT/US96/15577

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## What is claimed is:

- 1. A method of inhibiting viable cells transplanted into a subject from being destroyed by the subject's immune system which comprises:
  - a) containing the viable cells, or tissue comprising the viable cells, prior to transplantation within a device comprising a semipermeable membrane; and
  - b) treating the subject with a substance which inhibits an immune-system costimulation event in an amount effective to inhibit the subject's immune system from responding to said contained cells or tissue.
  - 2. The method of claim 1, wherein the substance is CTLA4.
- 20 3. The method of claim 1, wherein the device is a hollow fiber, a disc, or a sphere.
  - 4. The method of claim 1, wherein the device is a microcapsule.
  - 5. The method of claim 1, wherein the viable cells or the tissue comprising the viable cells are derived from a xenogeneic donor.
- The method of claim 1, wherein the viable cells or the tissue comprising the viable cells are derived from an allogeneic donor.
- 7. The method of claim 1, wherein the viable cells or the tissue comprising the viable cells are derived

- 80 -

from the subject.

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- 8. The method of claim 7, wherein the viable cells are genetically engineered prior to transplantation into the subject.
  - 9. The method of claim 1, wherein the subject is a human.
- 10 10. The method of claim 9, wherein the viable cells are derived from a mammal.
  - 11. The method of claim 10, wherein the mammal is a human.
- 12. The method of claim 1, wherein the subject is a domesticated animal.
- 13. The method of claim 12, wherein the domesticated animal is a cow, a calf, a pig, a sheep, a lamb, a horse, or a chicken.
- 14. The method of claim 12, wherein the viable cells comprise cells which secrete a hormone which promotes growth in the domesticated animal.
  - 15. The method of claim 1, wherein the viable cells comprise cells which secrete a biologically active substance.
  - 16. The method of claim 15, wherein the cells which secrete a biologically active substance are endocrine cells.
- 35 17. The method of claim 16, wherein the endocrine cells

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cells, hepatocytes, insulin-producing parathyroid cells, or pituitary cells.

- The method of claim 15, wherein the cells which 18. secrete a biologically active substance 5 neuroectodermal cells.
  - The method of claim 18, wherein the neuroectodermal 19. cells are adrenal cells or lymphocytes.
- The method of claim 1, wherein the semipermeable 20. membrane is impermeable to immunoglobulins and/or lymphocytes.
- The method of claim 2, wherein treating the subject 15 21. with CTLA4 comprises administering soluble CTLA4 to the subject.
- The method of claim 21, wherein the soluble CTLA4 22. is CTLA4Ig. 20
- The method of claim 1, wherein inhibiting the 23. subject's immune system from responding to said contained cells or tissue comprises inhibiting production of immunoglobulins and activated 25 macrophages capable of reacting with the viable cells or tissue.
- A method of treating diabetes in a subject which 24. 30 comprises:
  - insulin-producing a) containing viable comprising viable or tissue cells, insulin-producing cells, within a device comprising a semipermeable membrane so as obtain contained viable

- 82 -

producing cells;

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- b) transplanting contained viable insulinproducing cells obtained in step (a) into the subject in an amount effective to treat diabetes in the subject; and
- c) treating the subject with a substance which inhibits an immune-system costimulation event in an amount effective to inhibit the subject's immune system from responding to an amount of contained viable insulin-producing cells according to step (b).
- The method of claim 24, wherein the substance which inhibits an immune-system costimulation event is CTLA4.
- 26. The method of claim 24, wherein the tissue comprising the viable insulin-producing cells comprises pancreatic islet tissue.
  - 27. The method of claim 24, wherein the viable insulinproducing cells comprise cells which have been genetically engineered prior to transplantation to secrete insulin.
    - The method of claim 24, wherein the device is a hollow fiber, a disk, or a sphere.
- 30 29. The method of claim 24, wherein the device is a microcapsule.
- 30. The method of claim 24, wherein the viable insulinproducing cells or the tissue comprising the viable
  insulin-producing cells are derived from a

xenogeneic donor.

- The method of claim 24, wherein the viable insulinproducing cells or the tissue comprising the viable insulin-producing cells are derived from an allogeneic donor.
- The method of claim 24, wherein the viable insulinproducing cells or the tissue comprising the viable insulin-producing cells are derived from the subject.
- The method of claim 32, wherein the viable insulinproducing cells are genetically engineered to secrete insulin prior to transplantation into the subject.
  - 34. The method of claim 24, wherein the subject is afflicted with insulin-dependent diabetes mellitus.
- 35. The method of claim 34, wherein the subject is a mammal.
- 36. The method of claim 35, wherein the subject is a human.
  - 37. The method of claim 24, wherein the subject is a mammal.
- 30 38. The method of claim 37, wherein the subject is a human.
- 39. The method of claim 24, wherein the semipermeable membrane is impermeable to immunoglobulins—and/or-lymphocytes.

- 84 -

- 40. The method of claim 25, wherein treating the subject with CTLA4 comprises administering soluble CTLA4 to the subject.
- 5 41. The method of claim 40, wherein the soluble CTLA4 is CTLA4Ig.
- The method of claim 24, wherein inhibiting the subject's immune system from responding to said contained viable insulin-producing cells or tissue comprises inhibiting production of immunoglobulins and activated macrophages capable of reacting with the viable insulin-producing cells or tissue.
- 15 43. The method of claim 1, wherein the substance which inhibits an immune-system costimulation event also alters the cytokine profile of the subject so as to protect the contained cells or tissue from the subject's immune system.

20 44. The method of claim 43, wherein the substance increases the production of gamma-interferon in the subject.

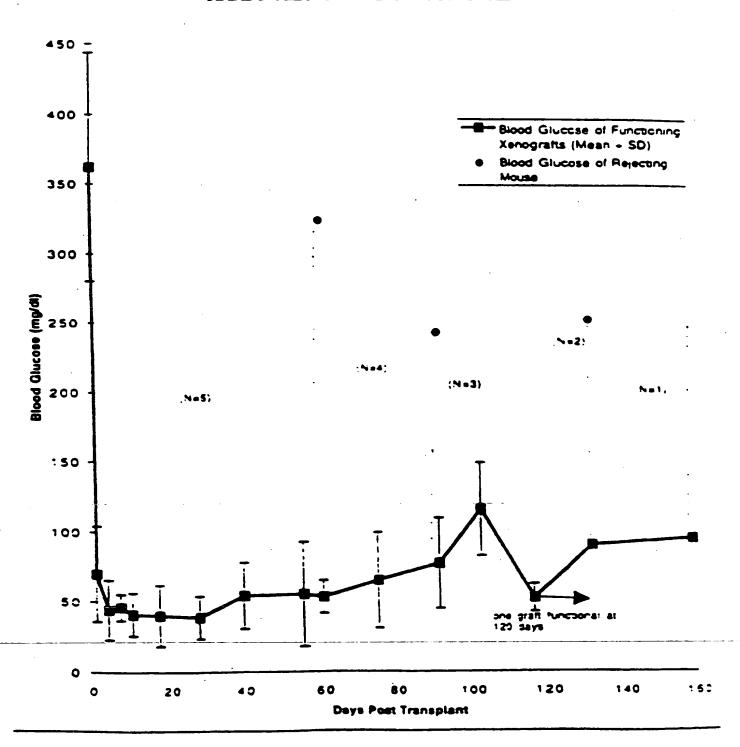
- 25 45. The method of claim 43, wherein the substance is CTLA4Ig.
- The method of claim 1, wherein the substance which inhibits an immune-system costimulation event binds complement.
  - The method of claim 46, wherein the substance is CTLA4Ig.

PCT/US96/15577

1/27



FIG. 2
MICROENCAPSULATED LEWIS RAT-TO-NOD
ISLET XENOGRAFT SURVIVAL



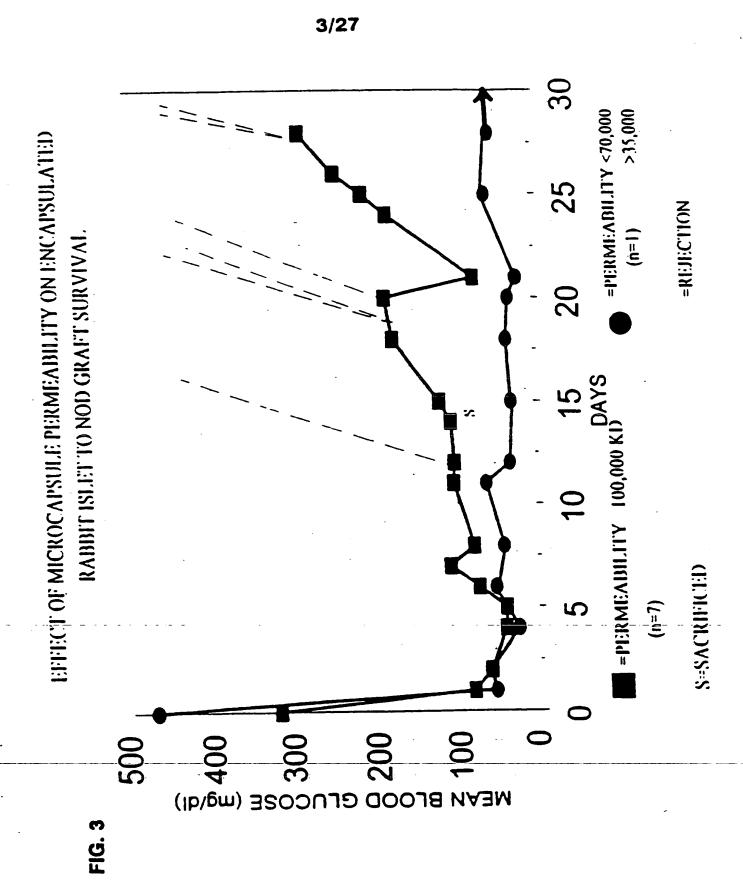


FIG. 4

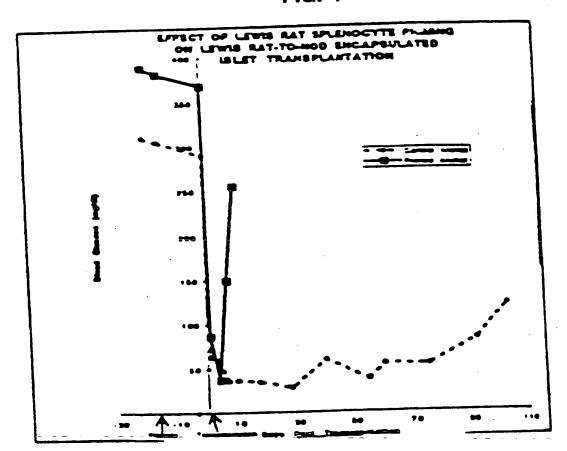


FIG. 5

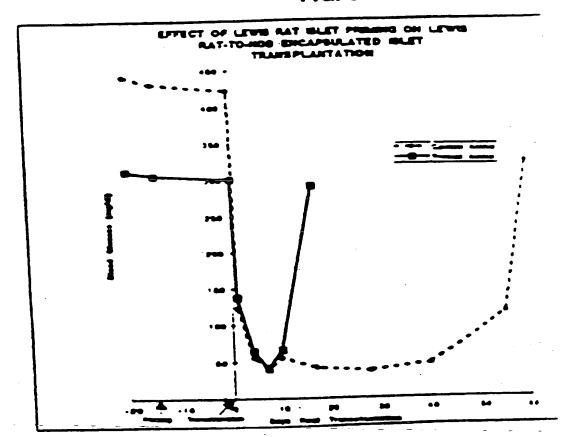


FIG. 6

Encapsulated dog islet, day #80, from peritoneum of NOD mouse, Gk1.5 treatment. H & E (x250).

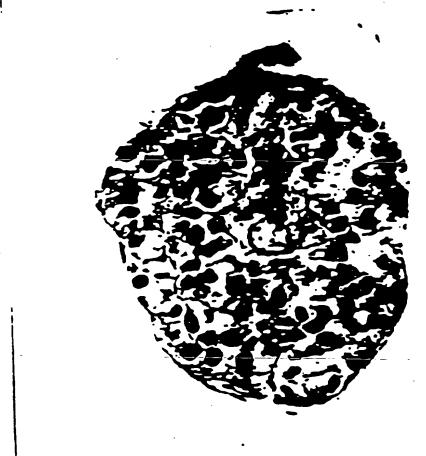


FIG. 7



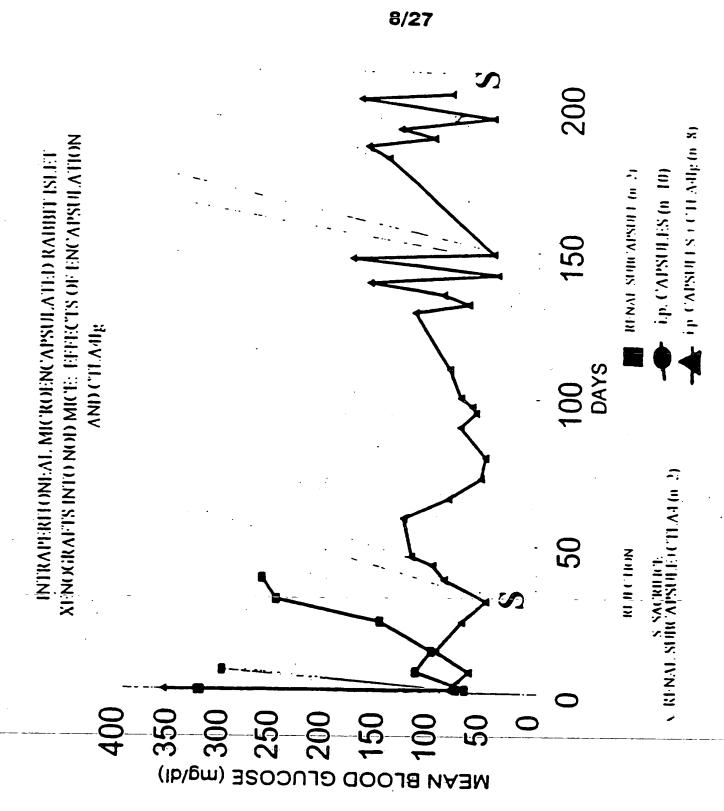
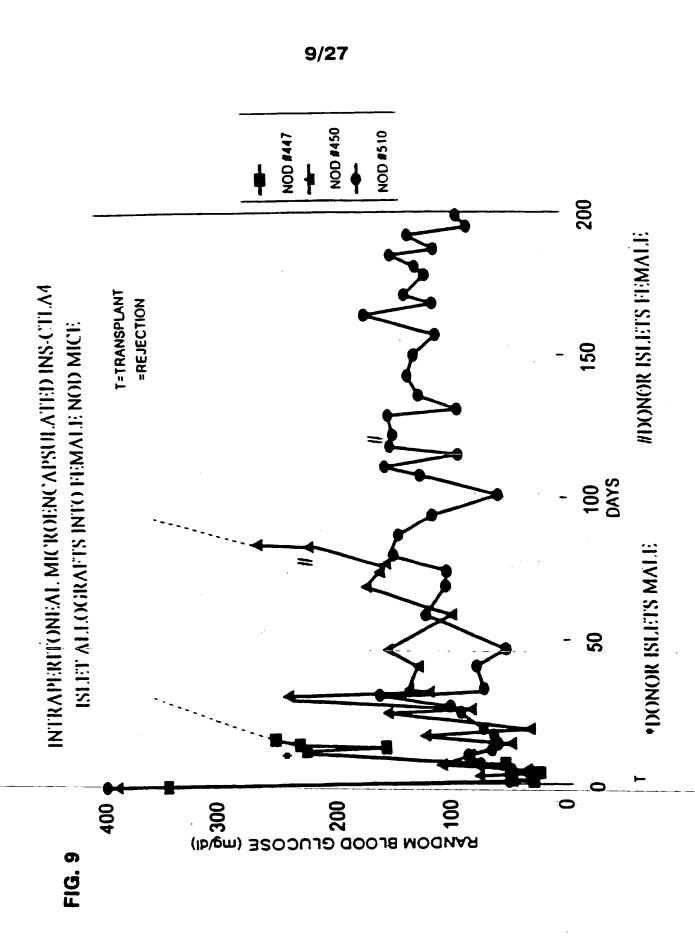
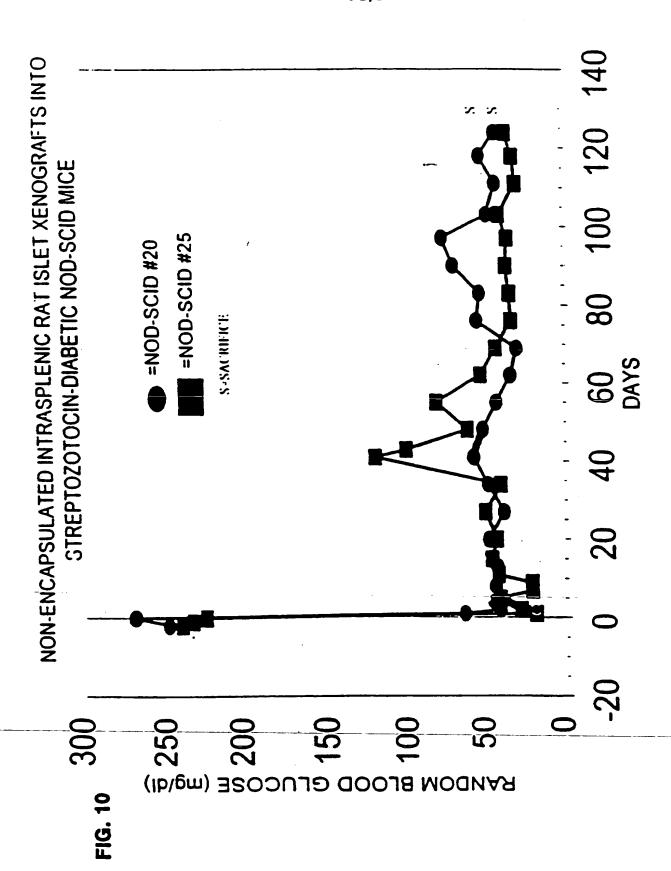


FIG. 8

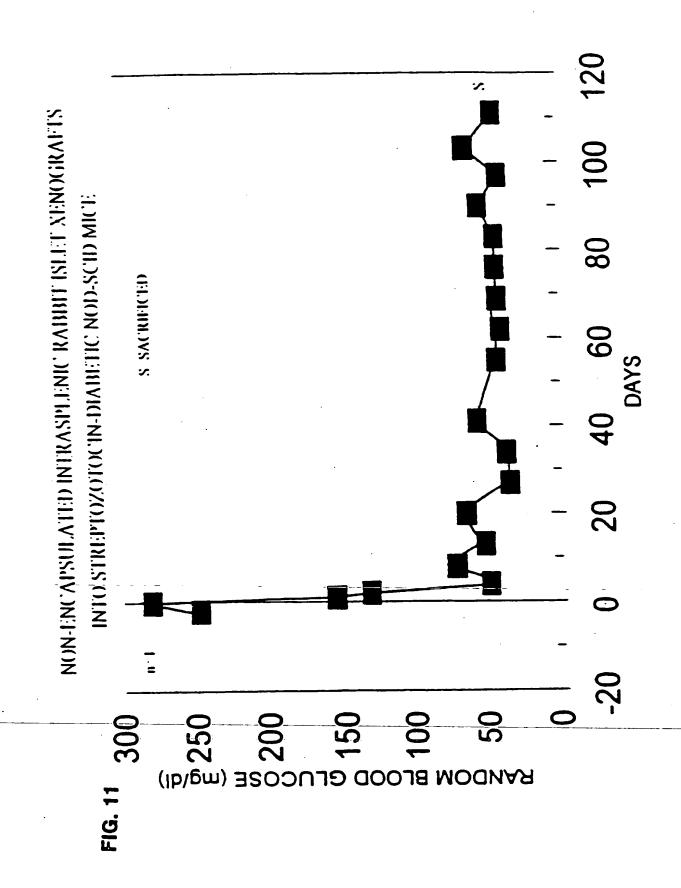


10/27



DESCRIPTION OF THE PART AT 1

11/27



12/27

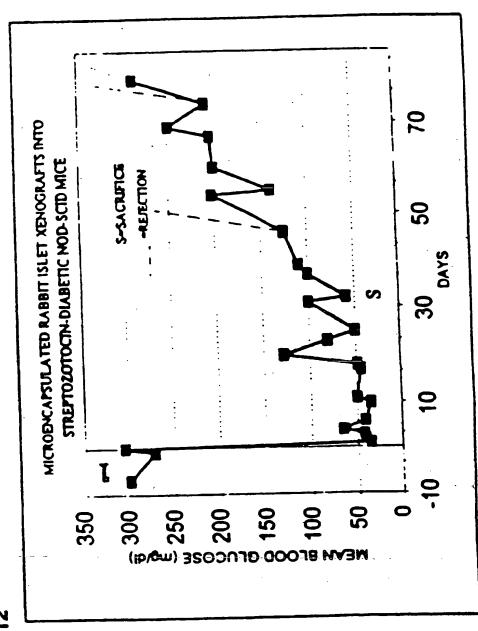


FIG. 13

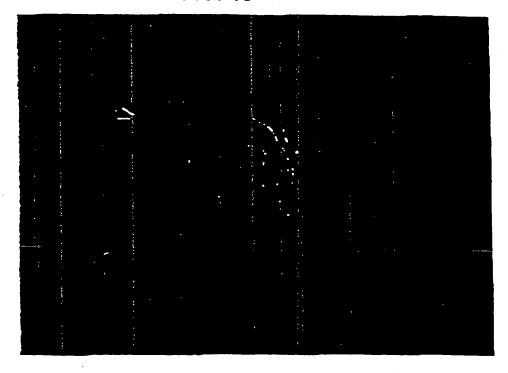
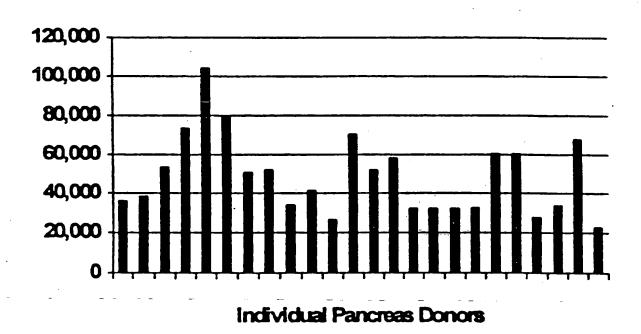


FIG. 14
Yield of Islets from Neonatal Porcine
Pancreas (Total Islet #)



15/27

In Vitro Insulin Release from Nonencapsulated (N) and Encapsulated (E) Neonatal Porcine Islets (uU/1000 islets/24 hr.) FIG. 15

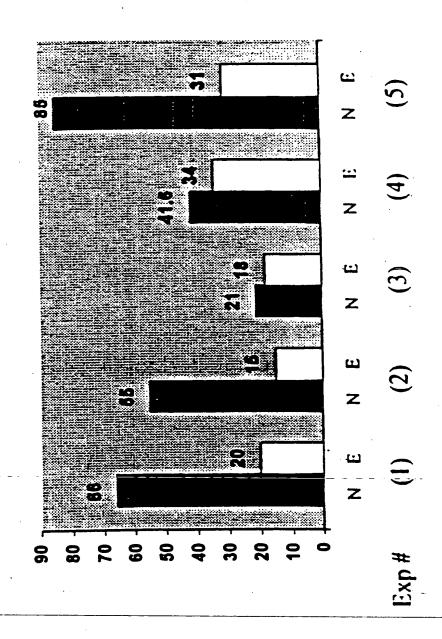


FIG. 16

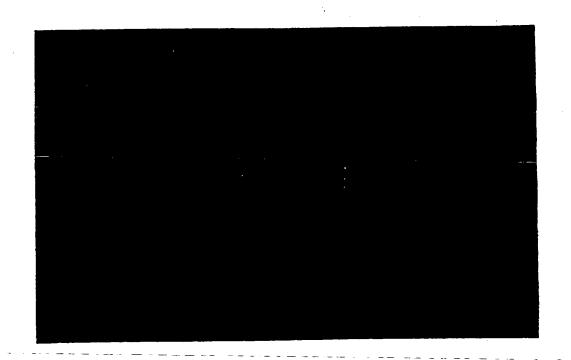
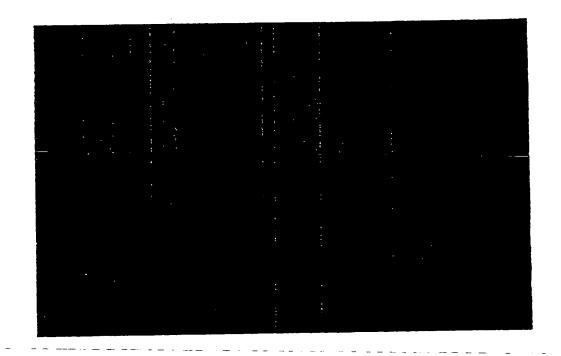
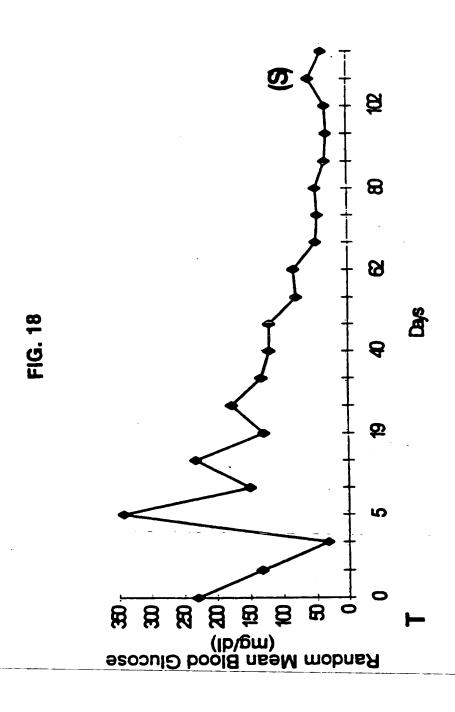


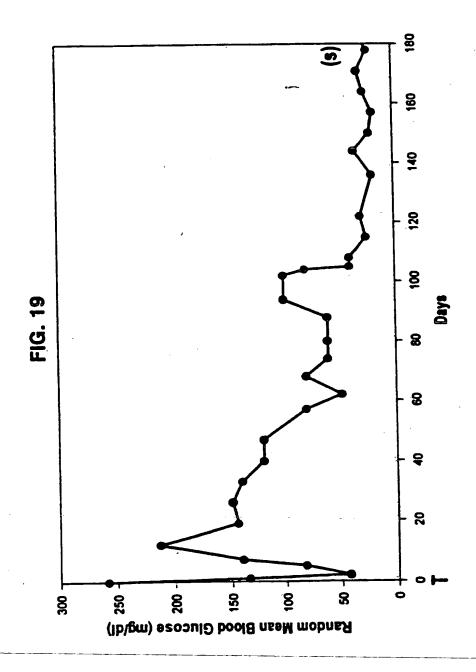
FIG. 17



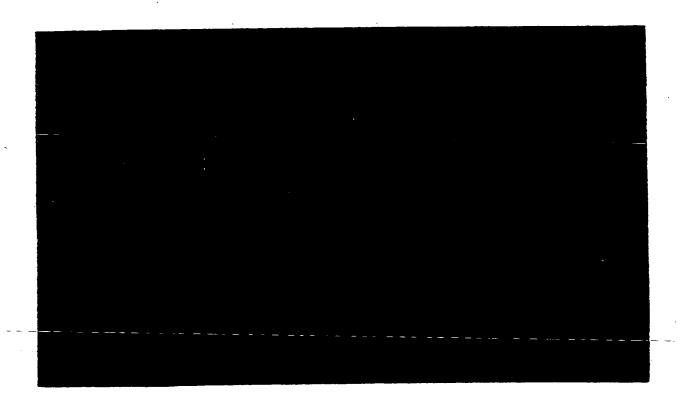
18/27



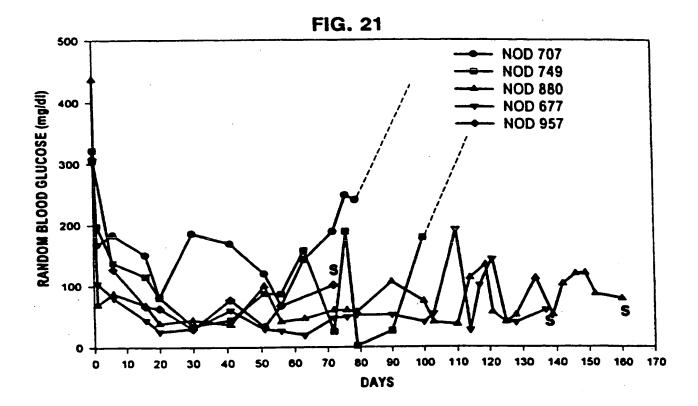
19/27



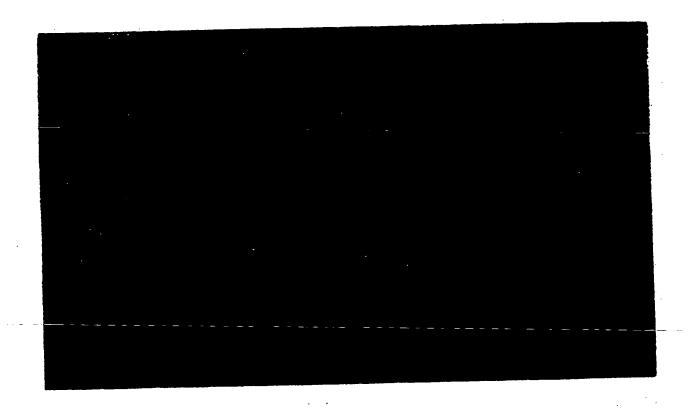
20/27



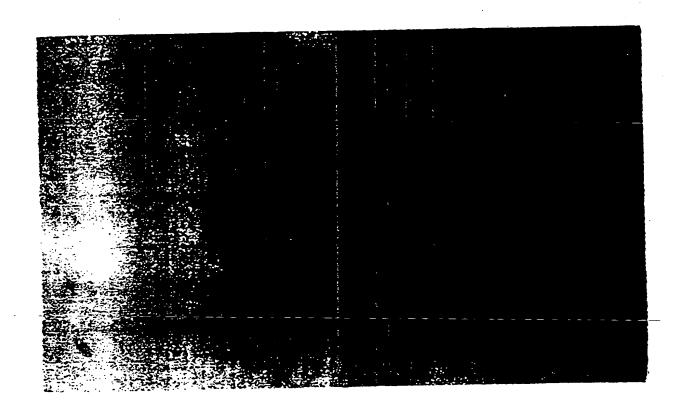
21/27



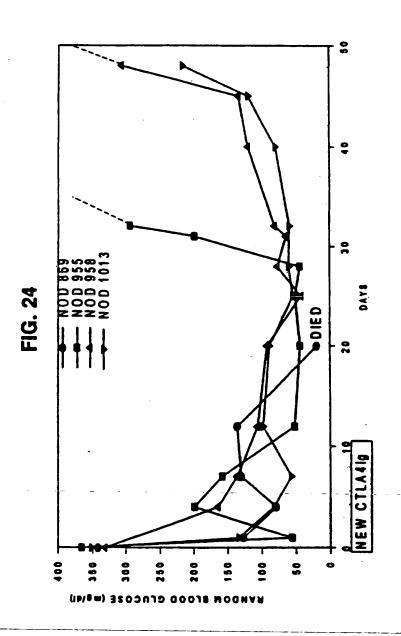
22/27



23/27



24/27



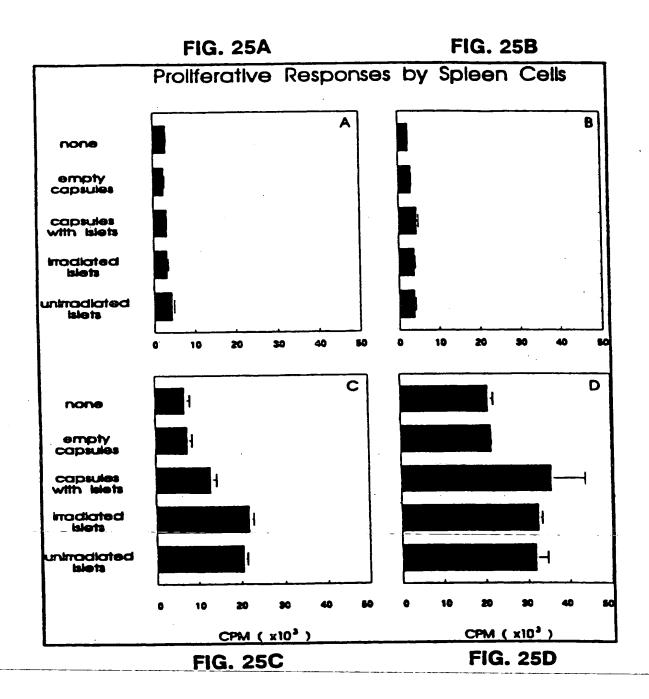
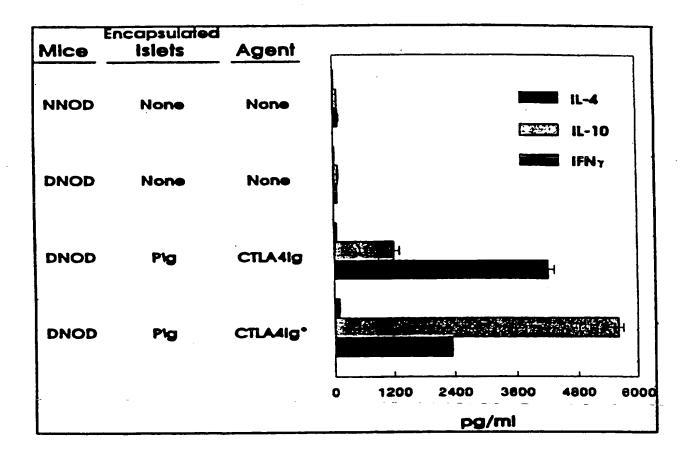
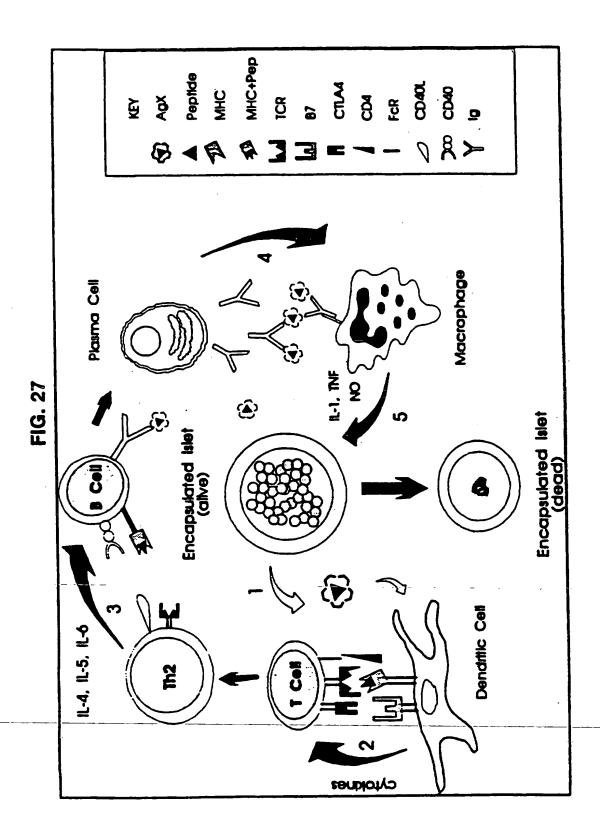


FIG. 26



27/27



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A. CLASSIFICATION OF SUBJECT MATTER  IPC(6): A01N 63/00 US CL: 424/93.7, 85.1			
According to International Patent Classification (IPC) or to both national classification and IPC			
B. FIELDS SEARCHED			
Minimum documentation searched (classification system followed by classification symbols)  U.S.: 424/93.7, 85.1			
Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched			
Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)			
APS, DIALOG. Search terms: CTLA4, microcapsule or encapsulated, transplantation or graft, islet.			
C. DOCUMENTS CONSIDERED TO BE RELEVANT			
Category* Citation	of document, with indication, where app	propriate, of the relevant passages	Relevant to claim No.
islets in May 19	LANZA et al. A simple method for transplanting discordant islets into rats using alginate gel spheres. Transplantation, 27 May 1995, Vol. 59, No. 10, pages 1485-1487, see entire document.		
diabete Transpl	SOON-SHIONG et al. Successful reversal of spontaneous diabetes in dogs by intraperitoneal microencapsulated islets. Transplantation. November 1992, Vol. 54, No. 5, pages 769-774, see entire document.		
pancrea August	LENSCHOW et al. Long-term survival of xenogeneic pancreatic islet grafts induced by CTLA4lg. Science, 07 August 1992, Vol. 257, pages 789-792, see entire document.		
Further documents are listed in the continuation of Box C. See patent family annex.			
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cited to establish special remon (as	the publication date of another estation or other	"Y" document of particular relevance; to considered to involve an inventive combined with one or more other or	e step when the document is the documents, such combination
means  *p* document published prior to the international filing date but later than *&* document member of the same patent family			
Date of the actual completion of the international search  Date of mailing of the international search report			
04 JANUARY 1997			
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Box PCT Washington, D.C. 20231			
		Telephone No. (703) 308-0196	<del></del>